

## Montana Board of Housing - Board Meeting

**Meeting Location:** Best Western Premier Helena Great Northern Hotel

835 Great Northern Blvd

Helena, MT 59601

(406) 457-5500

**Date:** May 13, 2025

**Time:** 8:30 am

**Board Chair:** Bruce Posey

**Remote Attendance:** Join our meeting in-person or remotely via Zoom and/or phone

**Conference Call:** Dial: 1-646-558-8656, Meeting ID: 819 3546 5044, Password: 827364

**Register for Webinar:** <https://mt.gov.zoom.us/meeting/register/tZUkdOysqD4qHtCIJvQ4oFrt54yXL5dudYfv>

**Board Offices:** Montana Department of Commerce  
Montana Board of Housing  
301 S. Park Ave., Room 240, Helena, MT 59601  
Phone: 406-841-2840

### Agenda Items:

- Meeting Announcements
- Introductions





- Public Comments – Public comment is welcome on any public matter that is not on the agenda and that is within the jurisdiction of the Board.
- Approve prior meeting's minutes
- Multifamily Program (Jason Hanson)
  - LOI Selection
  - ANHA 2 Credit Refresh
  - Multifamily Update
- Finance Program (Vicki Bauer)
  - Financial Update
- Homeownership Program (Jessica Michel)
  - RAM Loan – Bozeman, MT
  - Purchase Price Limits
  - Income Limits
  - Homeownership Update
- Mortgage Servicing (Mary Palkovich)
  - Servicing Update
- Operations/Executive Director (Joe DeFilippis + Cheryl Cohen)
  - Operations / Executive Director Update
  - NCHSA Letter to HUD
  - Housing Legislative Bill Tracking
  - GO Trust Matrix
  - Rental Assistance Dashboard
- Miscellaneous
- Meeting Adjourns



All agenda items are subject to Board action after public comment requirements are fulfilled.

Commerce/MBOH makes every effort to hold meetings at fully accessible facilities. Any person needing reasonable accommodation must notify the MBOH at 406-841-2840 or visit Montana Relay 711: [dphhs.mt.gov/detd/mtap/traditionalrelayservice](http://dphhs.mt.gov/detd/mtap/traditionalrelayservice) before the scheduled meeting to allow for arrangements.

## 2025 Board Calendar

- Monday, May 12 (Great Northern Hotel, Helena, MT, LOI Presentations)
- Tuesday, May 13 (Great Northern Hotel, Helena, MT, LOI Invitations to Apply)
- Monday, June 9 via Zoom
- Monday, July 14 via Zoom
- Monday, August 11 via Zoom
- Monday, September 8 via Zoom
- Tuesday, October 21 (Havre Inn & Suites, Havre, MT, LIHTC 9% Awards & QAP)
- Monday, November 10 via Zoom
- Monday, December 8 via Zoom (subject to cancellation)

## Board Training & Strategic Planning

- Monday, October 20 (Havre Inn & Suites, Havre, MT)



## BOARD MEMBER ATTENDANCE POLICY

Board Members are expected to attend all scheduled Board meetings and training sessions, including attendance in person where a meeting is so designated. It is recognized that Members may be unable to attend some meetings due to conflicts with prior-scheduled commitments or unforeseen circumstances. Members are expected to notify the Board Chair as far in advance as possible if they will be unable to attend. Members may not have more than two (2) absences from meetings or training sessions within any calendar year, only one (1) of which may be unexcused. Members will be considered absent unless they attend the entire meeting or training session. Please refer to the Montana Board of Housing [Board Attendance Policy](#) adopted May 13, 2024 for details.

## Conferences & Networking Opportunities

Board members will receive updates on conference agendas, early bird registration deadlines and related logistics from Board staff as more detailed information is available.

- Monday, May 19 – Wednesday, May 21: Montana Housing Partnership Conference, Billings, MT
- Saturday, October 4 – Tuesday, October 7: NCSHA Annual Conference, New Orleans, LA





**Meeting Location:** in person or via zoom

Best Western Premier Helena Great Northern Hotel

835 Great Northern Blvd

Helena, MT 59601

**Date:** May 13, 2025

**Roll Call of Board Members:**

Bruce Posey, Chair (Present – Recused for LOI)

Sheila Rice (Present)

Jeanette McKee (Present)

Amber Parish (Absent)

John Grant (Present)

Rachel Arthur (Present)

Richard Miltenberger (Present)

**Staff:**

Cheryl Cohen, Executive Director

Mary Palkovich, Mortgage Servicing Manager

Jessica John, Executive Assistant

Jason Hanson, Multifamily Manager

Vicki Bauer, Finance Manager

Jessica Michel, Homeownership Manager

Joe DeFilippis, Operations Manager

Nicole Newman, Community Housing

Megan Surginer, Office Manager

Julie Hope, Training and Development

Jesse Ennis, Multifamily Program

Danyel Bauer, Mortgage Servicing Supervisor

Kellie Guariglia, Multifamily Program

Jen Stepleton, Community Housing

Bruce Brensdal, Multifamily Program

Julie Flynn, Community Housing Manager

*These written minutes, together with the audio recordings of this meeting and the Board Packet, constitute the official minutes of the referenced meeting of the Montana Board of Housing (MBOH). References in these written minutes to tapes (e.g., FILE 1 – 4:34) refer to the location in the audio recordings of the meeting where the discussion occurred, and the page numbers refer to the page in the Board Packet. The audio recordings and Board Packet of the MBOH meeting of this date are hereby incorporated by reference and made a part of these minutes. The referenced audio recordings and Board Packet are available on the MBOH webpage at [Past Meetings and Minutes](#).*

**Counsel:**

Nathan Bilyeu, Jackson Murdo and Grant

**Others:**

Grant Schnell	Alex Burkhalter	Matt Belles	Amanda Browning
Angela Getchell	Troy Hart	Crosby Branch	Mike Bouchee
Caleb Posey	Ryan Hapney	Austin Trunkle	Crosby Branch
Andrew Sirmon	Joseph Walsh	Evelyn Camp	John Wagner
Tyler Currence	Emily Strawser	Larry Phillips	Katherine Daly
Logan Anderson	Gene Leuwer	Nancy DesRosiers	Don Kessler
Mina Choo	Mike Nugent	Tyson O'Connell	Jennifer Wheeler
Alex Timm	Shane Walk	Lorna Fogg	Carl Ladenburg
Liz Stotts	Jackie Girard	Roegilene Escleva	Mara Stojanovic
Andrew Stonyes	Tiffany Hapney	Don Sterhan	Thomas Mannschreck
Gerald Fritz	Jason Boal	Dave Richmond	Heather McMilan
Dawn Sterno	Sam Oliver	Craig Stahlberg	Seth O'Connell
Michael O'Neil	Corey Checketts	Graye Parnell	Rovanda Stordahl

**Call Meeting to Order:**

00:00:00 Acting Chair Sheila Rice called the Montana Board of Housing (MBOH) meeting to order at 8:30 a.m.

00:01:12 Acting Chair Rice asked for public comment on items not listed on the agenda

00:01:19 Introductions of Board members and attendees were made.

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**Approval of Minutes:****April 15, 2025 MBOH Board Meeting Minutes – See April Minutes in March Board Packet**

00:05:24

Motion: Jeannette McKee

Second: John Grant

The April 15, 2025 MBOH Board meeting minutes were approved unanimously.

**Multifamily Program:****LOI Selection**

00:06:12      Presenter: Jason Hanson

00:37:57      Motion: Jeanette McKee

Second: Richard Miltenberger

The motion to approve the listed LOI's to proceed to full application for 2026 Housing Credits was approved unanimously.

Wildflower Apts 9%

Golden Lion Manor

Saddle Horn Apts

Sheep Mtn Res 9%

Pintler Pines

Granite Peak

Tower 9%

Outpost at Kalispell

00:38:39      **Break****Approval of Credit Refresh of ANHA 2 on Crow Agency**

00:41:37      Presenter: Jason Hanson

Motion: Sheila Rice

Second: Rachel Arthur

The motion to approve the credit refresh from 2023 Housing Credits to 2025 Housing Credits, based on the developers meeting the new implementation schedule passed unanimously.

**Multifamily Update**

00:50:47      Presenter: Jason Hanson

**Accounting:****Accounting Update**

00:51:25      Presenter: Vicki Bauer

**Homeownership Program:****Approval of RAM Loan – Bozeman, MT**

00:53:54      Presenter: Jessica Michel

Motion: Rachel Arthur

Second: Jeannette McKee

The motion to approve this Reverse Annuity Mortgage (RAM) loan in the amount of \$150,000 with an initial advance of \$25,000 passed unanimously.

**Review of Purchase Price Limits**

00:56:41      Presenter: Jessica Michel

No motion was made for this Review.

**Approval of Income Limits**

00:58:11      Presenter: Jessica Michel

Motion: Richard Miltenberger

Second: John Grant

The motion to approve the attached income limits passed unanimously.

**Homeownership Update**

01:00:01      Presenter: Jessica Michel



MONTANA BOARD OF HOUSING

**Mortgage Servicing Program:**

**Servicing Update**

01:01:48      Presenter: Mary Palkovich

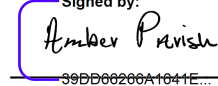
**Operations/ Executive Director:**

**Operations/Executive Director Update**

01:11:15      Presenter: Joe DeFilippis and Cheryl Cohen

**Meeting Adjournment:**

01:32:04      Meeting was adjourned at 10:02 a.m.

Signed by:  
  
39DD00200A1041E...

Amber Parish, Secretary

6/9/2025

Date

# Board Agenda Item

Board Meeting: May 12 - 13, 2025

## Multifamily Program

### **2026 Housing Credit Letter of Intent Presentations; Board Selection of Projects for Invitation to submit full Applications**

#### **Background**

The deadline for submitting Housing Credit Letters of Intent was April 14, 2025. The Board received thirteen (13) Letter of Intents. In your packet you will find:

- Letter of Intent Memo
- Letter of Intents Submitted Summary
- Board Worksheet for notetaking
- Spreadsheet showing comparative information
- Spreadsheet packets showing summary project information
- Montana Economic and Demographic Data

Letter of Intents Include:

- Narrative for each Project
- Mini Market summaries
- Public support letters submitted



## Selection Logistics

- No more than **8 Projects** will be selected during the Letter of Intent Round. Each Project selected by the Board will be invited to submit a Full Application.
- The maximum award to any one Project is \$8,500,000.
- The first day (May 12) of the Board meeting: each project will be allowed 15 minutes to present their project with additional time for any public comment.
- The second day (May 13) of the Board meeting: each Board member will select 8 projects. They will split their top picks into three categories. Three projects in their top category, three in the middle, and two at the bottom. Each project will be awarded 3, 2, or 1 point, corresponding with those categories. The 8 projects with the most points will be included on the slate for consideration to move forward.

## Development Evaluation Criteria and Selection - Excerpt Section VII(A) of Qualified Allocation Plan

*The Development Evaluation Criteria are only one of several considerations the Montana Board of Housing takes into account and does not control the selection of Projects that will receive an Award of Credits. For purposes of this QAP and selections, Awards and Allocations, the Selection Criteria include all the requirements, considerations, factors, limitations, Development Evaluation Criteria, set asides, priorities and data set forth in this QAP and all federal requirements.*

*In addition to Development Evaluation Criteria in the following subsections, the MBOH Board may consider the following factors in selecting Applications:*

- *Geographical distribution;*
- *Rural or urban location;*



- *QCT or DDA location;*
- *Overall income levels targeted by the Projects (including but not limited to deeper targeting of income levels);*
- *Need for affordable housing in the community (including but not limited to current Vacancy Rates);*
- *Rehabilitation of existing low-income housing stock;*
- *Sustainable energy savings initiatives;*
- *Financial and operational ability of the Applicant to fund, complete and maintain The Project through the Extended Use Period;*
- *Past performance of an Applicant in initiating and completing Tax Credit Projects;*
- *Cost of construction, land and utilities, including but not limited to costs/Credits per square foot/unit;*
- *The Project is being developed in or near a historic downtown neighborhood;*
- *Frequency of Awards in the respective areas where Projects are located;*
- *Preservation of project rental assistance or retention or addition of Section 811 units in or to an existing project; and/or*
- *Augmentation and/or sources of funds.*

### **Set Asides Requirements – Excerpt Section V(A) of QAP**

#### **Nonprofit**

Ten percent of each state's credit ceiling must be set aside for buildings which are part of one or more Projects involving Qualified Nonprofit Organizations.

*Unless otherwise specifically provided in the Board's Award resolution, MBOH will meet the 10% nonprofit set-aside requirement with all Awards to Projects involving a Qualified Nonprofit Organization. MBOH will not award more than 90% of the state's Credit ceiling to Projects not involving a Nonprofit. By submitting an application involving a Nonprofit,*





*the Applicant consents to designation of such Project as the Project receiving the nonprofit set aside.*

If no Project awarded Housing Credits involves a Qualified Nonprofit Organization, the nonprofit set aside will be held back for later Award to a Project involving a Qualified Nonprofit Organization.

### **Board Consideration and Determination for Award – Excerpt Section F(2) of Qualified Allocation Plan**

*MBOH staff materials provided to the Board will show Tribal Projects, Small Rural Projects and other Projects in separate groupings. In considering Applications for Award, the Board may first consider Tribal or Small Rural Projects. The Board may but is not required by this provision to select any Tribal or Small Rural Project for an Award. After any such initial consideration, the Board will consider Award of remaining Credits to any Applicant.*

*The Board will select Applications to receive an Award of 9% Credits, if any, in accordance with the Award determination process set forth in Section VII (Award Determination).*

#### **Applicable Definitions:**

- *A Small Rural Project is a Project: (1) for which the submitted tax credit Application requests Tax Credits in an amount up to but no more than 12.5% of the state's Available Annual Credit Allocation, and (2) proposed to be developed and constructed in a location that is not within the city limits of Billings, Bozeman, Butte, Great Falls, Helena, Kalispell, or Missoula.*
- *“Tribal” means an application sponsored by a Tribally Designated Housing Entity (TDHE) or other tribally sponsored entity.*



MBOH staff have confirmed that 2 of the projects meet either the Small Rural Project or Tribal definitions.

**Staff Recommendation (if any):**

Staff supports selecting 8 projects to proceed to full application.

**Motion Option(s):**

Move to approve the listed LOIs to proceed to full application for 2026 Housing Credits.



**Montana Housing  
2026 Housing Credit Awards**

										Letter of Intent
										HC Request
City	County	Project Name	Sponsor / Developer	Entity Type	Set-aside	Housing Type	Construction Type	9% Units		10 yr total
<b>Letter of Intent / Pre-Applications Submitted</b>										
1	Troy	Lincoln	Golden Lion Manor	American Covenant	Non-Profit	Small	Family	Acq/Rehab	20	\$ 4,240,000
2	Hardin	Big Horn	Hardin Senior Hsing	American Covenant	Non-Profit	Small	Senior	Acq/Rehab	24	\$ 4,240,000
3	Missoula	Missoula	Midtown 9%	Blueline Development	For Profit	General	Family	New	30	\$ 8,500,000
4	Billings	Yellowstone	Pryor Creek Apts	Graystoke Social Impact	Non-Profit	General	Family	New	24	\$ 8,500,000
5	Livingston	Park	Sheep Mtn Res 9%	Boundry Development	For Profit	General	Family	New	24	\$ 6,700,000
6	Livingston	Park	Riverstone Ridge	Blueline Development	For Profit	General	Family	New	32	\$ 8,500,000
7	Butte	Silver Bow	Granite Peak	Thomas Development	Non-Profit	General	Senior	New	36	\$ 8,499,890
8	Missoula	Missoula	Wildflower Apts 9%	Missoula Housing	Non-Profit	General	Family	Acq/Rehab	40	\$ 8,500,000
9	Miles City	Custer	Saddle Horn Apts	CR Builders	Non-Profit	General	Family	New	28	\$ 8,500,000
10	Butte	Silver Bow	Copper Canyon Apts	Butte Housing Authority	Non-Profit	General	Family	New	31	\$ 8,500,000
11	Anaconda	Deer Lodge	Pintler Pines	The Housing Company	Non-Profit	General	Senior	New	24	\$ 8,500,000
12	Kalispell	Flathead	Outpost at Kalispell	Mach LLC	Non-Profit	General	Family	New	24	\$ 8,500,000
13	Billings	Yellowstone	Tower 9%	Homeword	Non-Profit	General	Senior	Acq/Rehab	44	\$ 8,495,000
									381	100,174,890

\* - The above was randomly selected and is the order of presentations at the May meeting.

\* - 2025 Small State Minimum credit total will be used until actual 2026 credits available are released.

2026 Current Year Credits (based on 2025)	34,550,000
2025 Credits Remaining	-
Returned Credits	-
2026 National Pool Credits	-
Available Credits:	34,550,000
Minimum Required to be Awared to Non-Profits (10%):	3,455,000
Maximum Request for a Small Rural Project (12.5%):	4,318,750
Maximum Credit Per Project:	8,500,000

## Montana Housing Board Member Worksheet: 2026 Housing Credit Letter of Intent

[illegible]

**2026 Housing Credit Letter of Intent /Pre-Applications  
Comparative Data for Presentation to the Board**

<b>Project Name</b>	<b>HC Request 10 yr total</b>	<b>Total Cost / Unit</b>	<b>Cost / Unit Hardcost</b>
Golden Lion Manor	\$ 4,240,000	\$ 282,412	\$ 94,710
Hardin Senior Housing	\$ 4,240,000	\$ 217,624	\$ 85,704
Missoula Midtown 9%	\$ 8,500,000	\$ 349,996	\$ 247,580
Missoula Midtown 4%	\$ 27,599,420	\$ 330,747	\$ 246,106
Pryor Creek Apts	\$ 8,500,000	\$ 362,024	\$ 224,662
Sheep Mountain Res (9%)	\$ 6,700,000	\$ 264,583	\$ 172,656
Sheep Mountain Res (4%)	\$ 3,000,000	\$ 262,500	\$ 172,656
Riverstone Ridge	\$ 8,500,000	\$ 318,413	\$ 236,762
Granite Peak	\$ 8,499,890	\$ 355,408	\$ 253,038
Wildflower 9 Apartments	\$ 8,500,000	\$ 305,349	\$ 87,521
Wildflower 4 Apartments	\$ 5,783,250	\$ 299,852	\$ 68,651
Saddlehorn Apartments	\$ 8,500,000	\$ 359,006	\$ 250,002
Copper Canyon Apartments	\$ 8,500,000	\$ 364,877	\$ 269,295
Pintler Pines	\$ 8,500,000	\$ 331,619	\$ 222,917
Outpost at Kalispell	\$ 8,500,000	\$ 364,096	\$ 203,726
Towers 9%	\$ 8,495,000	\$ 206,195	\$ 84,848
Towers 4%	\$ 11,367,980	\$ 244,155	\$ 82,343

<b>Project Name</b>	<b>Hard Costs / Sq Ft</b>	<b>Total / Sq Ft</b>	<b>% Total Costs Paid by HC's</b>	<b>HC's / Sq Ft</b>
Golden Lion Manor	\$ 534	\$ 179	60.05%	\$ 401
Hardin Senior Housing	\$ 351	\$ 138	64.94%	\$ 285
Missoula Midtown 9%	\$ 283	\$ 200	67.99%	\$ 229
Missoula Midtown 4%	\$ 249	\$ 185	41.23%	\$ 122
Pryor Creek Apts	\$ 337	\$ 209	78.26%	\$ 330
Sheep Mountain Res (9%)	\$ 348	\$ 227	84.41%	\$ 367
Sheep Mountain Res (4%)	\$ 345	\$ 227	41.32%	\$ 164
Riverstone Ridge	\$ 297	\$ 221	70.07%	\$ 247
Granite Peak	\$ 383	\$ 273	53.14%	\$ 297
Wildflower 9 Apartments	\$ 375	\$ 107	53.60%	\$ 261
Wildflower 4 Apartments	\$ 407	\$ 93	26.98%	\$ 140
Saddlehorn Apartments	\$ 324	\$ 226	66.79%	\$ 274
Copper Canyon Apartments	\$ 328	\$ 242	59.36%	\$ 267
Pintler Pines	\$ 414	\$ 278	88.63%	\$ 442
Outpost at Kalispell	\$ 380	\$ 213	76.61%	\$ 370
Towers 9%	\$ 294	\$ 121	77.71%	\$ 275
Towers 4%	\$ 179	\$ 60	37.80%	\$ 82

Project Name  
HC Requested (10 yr total)

Unit Numbers

Target

- 0-bdrm60%
- 0-bdrmmgt
- 1-bdrm30%
- 1-bdrm40%
- 1-bdrmmgt(HM/HTF)
- 1-bdrm50%
- 1-bdrm60%
- 1-bdrmmgt
- 1-bdrmmgt
- 2-bdrm30%
- 2-bdrm40%
- 2-bdrmmgt(HM/HTF)
- 2-bdrm50%
- 2-bdrm60%
- 2-bdrm70%
- 3-bdrm30%
- 3-bdrm40%
- 3-bdrmmgt(HM/HTF)
- 3-bdrm50%
- 3-bdrm60%
- 3-bdrm70%
- 4-bdrm40%
- 4-bdrm50%
- 4-bdrm60%
- 4-bdrm70%
- othermgt
- othermkt
- othermgr(60%)

Total Units

Average Income Targeting

Square Footage

Income Resticted Units

Managers Unit(s)

Common Space

Market/Commercial

Total

Golden Lion Manor	Hardin Senior Housing	Missoula Midtown 9%	Missoula Midtown 4%	Pryor Creek Apts	Sheep Mountain Res (9%)	Sheep Mountain Residences (4%)
\$4,240,000	\$4,240,000	\$8,500,000	\$27,599,420	\$8,500,000	\$6,700,000	\$3,000,000
5	4					
	7					
	4					
13	6				11	
	3				5	16
		2				
1		3	13	14	4	
1		2	15	4	2	6
			13			
		1				
		7	20	5	2	
		7	24	1	-	2
			20			
		1				
		3	20			
		4	25			
			20			
20	24	30	170	24	24	24
45.50%	45.00%	53.00%	60.00%	52.08%	52.92%	60.00%
9,880	12,718	35,767	204,641	25,770	15,700	15,700
-		-		-		
692	2,167	1,397	21,300		2,540	2,540
10,572	14,885	37,164	225,941	25,770	18,240	18,240

### Unit Rents

Golden Lion Manor	Hardin Senior Housing	Missoula Midtown 9%	Missoula Midtown 4%	Pryor Creek Apts	Sheep Mountain Res (9%)	Sheep Mountain Residences (4%)
\$ 4,240,000	\$ 4,240,000	\$ 8,500,000	\$ 27,599,420	\$ 8,500,000	\$ 6,700,000	\$ 3,000,000

491	442					
	590					
	708					
819	737				901	
	885				1,081	1,081
		798				
982		1,019	927	943	1,081	
1,179		1,241	1,130	1,162	1,297	1,297
			1,333			
		918				
		1,174	1,067	1,077	1,249	
		1,430	1,301	1,330		1,499
			1,536			
		1,020				
		1,305	1,185			
		1,591	1,447			
			1,709			

## Project Costs

Land	120,000	131,000	600,000	-	522,900	275,000	275,000
Building/Acquisition	1,825,000	1,419,000	-	-	-		
Site Work	-		325,000	700,000	950,000		
Construction / Rehab	1,894,200	2,056,900	7,102,405	41,138,095	4,441,894	4,143,750	4,143,750
Soft Costs	961,197	853,177	1,651,848	7,017,420	1,600,565	1,035,031	968,200
Developer Fees	682,839	627,891	710,000	6,390,000	1,005,000	768,147	768,147
Reserves	165,000	135,000	110,637	981,485	168,217	128,072	144,903
Total Project Costs	\$ 5,648,236	\$ 5,222,968	\$ 10,499,890	\$ 56,227,000	\$ 8,688,576	\$ 6,350,000	\$ 6,300,000
Supportive Services Costs	\$ -					\$ 0	
Residential Costs	\$ 5,648,236	\$ 5,222,968	\$ 10,499,890	\$ 56,227,000	\$ 8,688,576	\$ 6,350,000	\$ 6,300,000

Project Name  
HC Requested (10 yr total)  
Financing Sources

Hard Loan  
Hard Loan  
Soft Loan  
Soft Loan  
State HOME  
State CDBG  
State NHTF  
Other  
Other  
Other  
Other  
Deferred Dev Fee  
HC Equity Competative  
HC Equity Non-Competative  
Total Sources:  
% of Project Financed by HC:

Golden Lion Manor	Hardin Senior Housing	Missoula Midtown 9%	Missoula Midtown 4%	Pryor Creek Apts	Sheep Mountain Res (9%)	Sheep Mountain Residences (4%)
\$ 4,240,000	\$ 4,240,000	\$ 8,500,000	\$ 27,599,420	\$ 8,500,000	\$ 6,700,000	\$ 3,000,000
1,550,000	750,000	2,900,000	21,400,000	1,685,489	940,000	2,246,997
			1,280,000			1,250,000
			5,000,000			
225,000	243,936					
225,000			2,500,000			
160,000	837,000		554,717			
96,575	-	460,504	2,310,988	203,767	50,000	200,000
3,391,661	3,392,032	7,139,386		6,799,320	5,360,000	2,603,003
			23,181,295			
\$ 5,648,236	\$ 5,222,968	\$ 10,499,890	\$ 56,227,000	\$ 8,688,576	\$ 6,350,000	\$ 6,300,000
60.05%	64.94%	67.99%	41.23%	78.26%	84.41%	41.32%

Costs versus Sources

Total Project Costs  
Total Financing Sources  
Difference

\$ 5,648,236	\$ 5,222,968	\$ 10,499,890	\$ 56,227,000	\$ 8,688,576	\$ 6,350,000	\$ 6,300,000
\$ 5,648,236	\$ 5,222,968	\$ 10,499,890	\$ 56,227,000	\$ 8,688,576	\$ 6,350,000	\$ 6,300,000
\$ -	\$ -	\$ -	\$ -	\$ -	\$ (0)	\$ (0)

Bond Projects only

Permanent Loan Requested  
Bond Issue Requested  
Bond Resolution Expected  
Max Bond Issue based on 60% Total Proj Cost  
Bond Issuer  
Will it be structured as a bond or loan?  
Will it be a private placement or public sale?  
Will it be construction only or convert to perm?  
Expected closing date

\$ -  
\$ 3,780,000  
\$ 4,536,000  
\$ 3,780,000  
MT DOC  
Bond  
Private Placement  
Convert to Perm  
5/1/2026  
MBOH  
Loan  
Private  
Convert to Perm  
7/1/2026



Project Name		Golden Lion Manor	Hardin Senior Housing	Missoula Midtown 9%	Missoula Midtown 4%	Pryor Creek Apts	Sheep Mountain Res (9%)	Sheep Mountain Residences (4%)
HC Requested (10 yr total)		\$ 4,240,000	\$ 4,240,000	\$ 8,500,000	\$ 27,599,420	\$ 8,500,000	\$ 6,700,000	\$ 3,000,000
Comparative Data for Presentation to the Board								
Return on Sale of HTC								
HTC Requested		\$ 4,240,000	\$ 4,240,000	\$ 8,500,000	\$ 27,599,420	\$ 8,500,000	\$ 6,700,000	\$ 3,000,000
HTC Equity		\$ 3,391,661	\$ 3,392,032	\$ 7,139,386	\$ 23,181,295	\$ 6,799,320	\$ 5,360,000	\$ 2,603,003
HTC Return on Sale		0.80	0.80	0.84	0.84	0.80	0.80	0.87
Per Unit Comparison								
		Limits						
Cost per unit total	n/a	\$ 282,412	\$ 217,624	\$ 349,996	\$ 330,747	\$ 362,024	\$ 264,583	\$ 262,500
Cost per unit residential only	\$350,000	\$ 282,412	\$ 217,624	\$ 349,996	\$ 330,747	\$ 362,024	\$ 264,583	\$ 262,500
Cost per unit Const / Rehab	n/a	\$ 94,710	\$ 85,704	\$ 247,580	\$ 246,106	\$ 224,662	\$ 172,656	\$ 172,656
Credits per unit	n/a	\$ 212,000	\$ 176,667	\$ 283,333	\$ 162,350	\$ 354,167	\$ 279,167	\$ 125,000
Per Square Foot Comparison								
Construction / Rehab per sq ft		\$ 179	\$ 138	\$ 200	\$ 185	\$ 209	\$ 227	\$ 227
Total Project Cost per sq ft		\$ 534	\$ 351	\$ 283	\$ 249	\$ 337	\$ 348	\$ 345
Credits per sq ft		\$ 401	\$ 285	\$ 229	\$ 122	\$ 330	\$ 367	\$ 164
Credits per sq ft (residential only)		\$ 401	\$ 285	\$ 229	\$ 122	\$ 330	\$ 367	\$ 164
Utilities Paid by (Tenant / Owner)								
		Owner	Tenant	Tenant	Tenant	Tenant	Tenant	Tenant
Market Study Data:								
Units needed for Targeted AMI's		16, 26, 27	20,47	774	774	1,709	233	233

Project Name  
HC Requested (10 yr total)

Unit Numbers

Target

- 0-bdrm60%
- 0-bdrmmgt
- 1-bdrm30%
- 1-bdrm40%
- 1-bdrmmgt(HM/HTF)
- 1-bdrm50%
- 1-bdrm60%
- 1-bdrmmgt
- 1-bdrmmgt
- 2-bdrm30%
- 2-bdrm40%
- 2-bdrmmgt(HM/HTF)
- 2-bdrm50%
- 2-bdrm60%
- 2-bdrm70%
- 3-bdrm30%
- 3-bdrm40%
- 3-bdrmmgt(HM/HTF)
- 3-bdrm50%
- 3-bdrm60%
- 3-bdrm70%
- 4-bdrm40%
- 4-bdrm50%
- 4-bdrm60%
- 4-bdrm70%
- othermgt
- othermkt
- othermgr(60%)

Total Units

Average Income Targeting

Square Footage

Income Resticted Units

Managers Unit(s)

Common Space

Market/Commercial

Total

Riverstone Ridge	Granite Peak	Wildflower 9 Apartments	Wildflower 4 Apartments	Saddlehorn Apartments	Copper Canyon Apartments	Pintler Pines
\$ 8,500,000	\$ 8,499,890	\$ 8,500,000	\$ 5,783,250	\$ 8,500,000	\$ 8,500,000	\$ 8,500,000
		8	12			
	3			2	2	
	4					
4				4	4	13
1	7	8	12	2	1	5
	4			2	2	
	4			4	5	
12				4	4	4
4	7	12	24	2	4	1
				2	2	
8				2	1	
3		12	8	2	1	
	6				3	
	1					1
32	36	40	56	28	31	24
52.50%	50.28%	60.00%	60.00%	47.86%	48.06%	52.92%
26,550	21,764	31,724	41,240	28,388	26,177	16,378
-	890				-	860
7,810	5,949	859		2,620	5,706	2,000
	4,762				2,650	
34,360	33,365	32,583	41,240	31,008	34,533	19,238

Project Name  
HC Requested (10 yr total)  
Unit Rents

0-bdrm 60%  
0-bdrm  
1-bdrm 30%  
1-bdrm 40%  
1-bdrm 1% (HM/HTF)  
1-bdrm 50%  
1-bdrm 60%  
1-bdrm  
1-bdrm  
2-bdrm 30%  
2-bdrm 40%  
2-bdrm 1% (HM/HTF)  
2-bdrm 50%  
2-bdrm 60%  
2-bdrm 70%  
2-bdrm  
2-bdrm  
3-bdrm 30%  
3-bdrm 40%  
3-bdrm 1% (HM/HTF)  
3-bdrm 50%  
3-bdrm 60%  
3-bdrm 70%  
3-bdrm  
4-bdrm 40%  
4-bdrm 50%  
4-bdrm 60%  
4-bdrm 70%  
other  
other mgr(60%)

Riverstone Ridge	Granite Peak	Wildflower 9 Apartments	Wildflower 4 Apartments	Saddlehorn Apartments	Copper Canyon Apartments	Pintler Pines
\$ 8,500,000	\$ 8,499,890	\$ 8,500,000	\$ 5,783,250	\$ 8,500,000	\$ 8,500,000	\$ 8,500,000
		1,035	1,035			
				360	367	
	723					
886				689	688	727
1,075	983	1,108	1,108	850	849	888
	1,310				1,050	
	483					
				416	434	
	932			805	786	
1,062				805	820	868
1,289	1,179	1,329	1,329	1,000	1,014	1,062
	1,600				1,150	
	580					
				465	497	
				916	943	
1,100				916	943	
1,492		1,536	1,536	1,141	1,167	
					1,250	
	1,179					1,000
-	470,000	735,000	1,029,000	500,000	453,750	-
-		5,409,375	7,573,125	-	-	
325,000	1,195,832	240,417	336,583	-	-	1,000,000
7,251,380	7,913,542	3,260,439	3,507,899	7,000,056	8,348,154	4,350,000
1,211,844	1,514,612	953,258	2,135,298	1,540,668	1,577,411	1,527,820
1,295,000	1,593,598	1,474,174	2,026,845	900,000	800,000	959,175
106,000	107,103	141,298	182,971	111,446	131,874	121,859
\$ 10,189,224	\$ 12,794,688	\$ 12,213,961	\$ 16,791,721	\$ 10,052,170	\$ 11,311,189	\$ 7,958,854
\$ -						
\$ 10,189,224	\$ 12,794,688	\$ 12,213,961	\$ 16,791,721	\$ 10,052,170	\$ 11,311,189	\$ 7,958,854

Project Costs

Land  
Building/Acquisition  
Site Work  
Construction / Rehab  
Soft Costs  
Developer Fees  
Reserves  
Total Project Costs  
Supportive Services Costs  
Residential Costs

Project Name  
HC Requested (10 yr total)  
Financing Sources

Hard Loan  
Hard Loan  
Soft Loan  
Soft Loan  
State HOME  
State CDBG  
State NHTF  
Other  
Other  
Other  
Other  
Deferred Dev Fee  
HC Equity Competative  
HC Equity Non-Competative  
Total Sources:  
% of Project Financed by HC:

Riverstone Ridge	Granite Peak	Wildflower 9 Apartments	Wildflower 4 Apartments	Saddlehorn Apartments	Copper Canyon Apartments	Pintler Pines
\$ 8,500,000	\$ 8,499,890	\$ 8,500,000	\$ 5,783,250	\$ 8,500,000	\$ 8,500,000	\$ 8,500,000
2,400,000	205,000	1,614,692	3,901,273	825,000	1,140,000	650,000
204,800	1,720,000		2,000,000		-	
					-	168,000
					-	
400,000				1,150,000	1,650,000	
	95,000				-	
				1,150,000	1,650,000	
		3,438,294	4,813,611		-	
	1,630,000	614,034	545,731		-	
	1,780,000		412,513		-	
	200				-	
45,138	565,323		588,449	212,841	156,861	86,560
7,139,286	6,799,165	6,546,941		6,714,329	6,714,328	7,054,294
			4,530,144		-	
\$ 10,189,224	\$ 12,794,688	\$ 12,213,961	\$ 16,791,721	\$ 10,052,170	\$ 11,311,189	\$ 7,958,854
70.07%	53.14%	53.60%	26.98%	66.79%	59.36%	88.63%

Costs versus Sources

Total Project Costs  
Total Financing Sources  
Difference

\$ 10,189,224	\$ 12,794,688	\$ 12,213,961	\$ 16,791,721	\$ 10,052,170	\$ 11,311,189	\$ 7,958,854
\$ 10,189,224	\$ 12,794,688	\$ 12,213,961	\$ 16,791,721	\$ 10,052,170	\$ 11,311,189	\$ 7,958,854
\$ -	\$ (0)	\$ -	\$ -	\$ -	\$ -	\$ -

Bond Projects only

Permanent Loan Requested  
Bond Issue Requested  
Bond Resolution Expected  
Max Bond Issue based on 60% Total Proj Cost  
Bond Issuer  
Will it be structured as a bond or loan?  
Will it be a private placement or public sale?  
Will it be construction only or convert to perm?  
Expected closing date

None  
\$ 9,542,623  
\$ 11,451,148  
\$ 10,075,033  
MBOH  
Bond  
Public  
Construction  
1/7/2026

Project Name		Riverstone Ridge	Granite Peak	Wildflower 9 Apartments	Wildflower 4 Apartments	Saddlehorn Apartments	Copper Canyon Apartments	Pintler Pines
HC Requested (10 yr total)		\$ 8,500,000	\$ 8,499,890	\$ 8,500,000	\$ 5,783,250	\$ 8,500,000	\$ 8,500,000	\$ 8,500,000
Comparative Data for Presentation to the Board								
Return on Sale of HTC								
HTC Requested		\$ 8,500,000	\$ 8,499,890	\$ 8,500,000	\$ 5,783,250	\$ 8,500,000	\$ 8,500,000	\$ 8,500,000
HTC Equity		\$ 7,139,286	\$ 6,799,165	\$ 6,546,941	\$ 4,530,144	\$ 6,714,329	\$ 6,714,328	\$ 7,054,294
HTC Return on Sale		0.84	0.80	0.77	0.78	0.79	0.79	0.83
Per Unit Comparison								
	Limits							
Cost per unit total	n/a	\$ 318,413	\$ 355,408	\$ 305,349	\$ 299,852	\$ 359,006	\$ 364,877	\$ 331,619
Cost per unit residential only	\$350,000	\$ 318,413	\$ 355,408	\$ 305,349	\$ 299,852	\$ 359,006	\$ 364,877	\$ 331,619
Cost per unit Const / Rehab	n/a	\$ 236,762	\$ 253,038	\$ 87,521	\$ 68,651	\$ 250,002	\$ 269,295	\$ 222,917
Credits per unit	n/a	\$ 265,625	\$ 236,108	\$ 212,500	\$ 103,272	\$ 303,571	\$ 274,194	\$ 354,167
Per Square Foot Comparison								
Construction / Rehab per sq ft		\$ 221	\$ 273	\$ 107	\$ 93	\$ 226	\$ 242	\$ 278
Total Project Cost per sq ft		\$ 297	\$ 383	\$ 375	\$ 407	\$ 324	\$ 328	\$ 414
Credits per sq ft		\$ 247	\$ 297	\$ 261	\$ 140	\$ 274	\$ 267	\$ 442
Credits per sq ft (residential only)		\$ 247	\$ 297	\$ 261	\$ 140	\$ 274	\$ 267	\$ 442
Utilities Paid by (Tenant / Owner)		Tenant	Tenant	Tenant	Tenant	Tenant	Tenant	Tenant
Market Study Data:								
Units needed for Targeted AMI's		273	282	2,159	2,159	149	596	74

Project Name  
HC Requested (10 yr total)

Outpost at Kalispell	Towers 9%	Towers 4%
\$ 8,500,000	\$ 8,495,000	\$ 11,367,980

Unit Numbers

Target

0-bdrm	60%
0-bdrm	
1-bdrm	30%
1-bdrm	40%
1-bdrm	1% (HM/HTF)
1-bdrm	50%
1-bdrm	60%
1-bdrm	
1-bdrm	
2-bdrm	30%
2-bdrm	40%
2-bdrm	1% (HM/HTF)
2-bdrm	50%
2-bdrm	60%
2-bdrm	70%
3-bdrm	30%
3-bdrm	40%
3-bdrm	1% (HM/HTF)
3-bdrm	50%
3-bdrm	60%
3-bdrm	70%
4-bdrm	40%
4-bdrm	50%
4-bdrm	60%
4-bdrm	70%
other	
other	mkt
other	mgt(60%)

		36
9	29	
3	11	18
		19
		25
8	2	
4	1	2
		1
	1	

Total Units	24	44	101
Average Income Targeting	52.92%	52.95%	60.00%

Square Footage

Income Resticted Units  
Managers Unit(s)  
Common Space  
Market/Commercial

20,016	30,102	116,355
-	770	840
2,968		20,934
-	-	

Total	22,984	30,872	138,129
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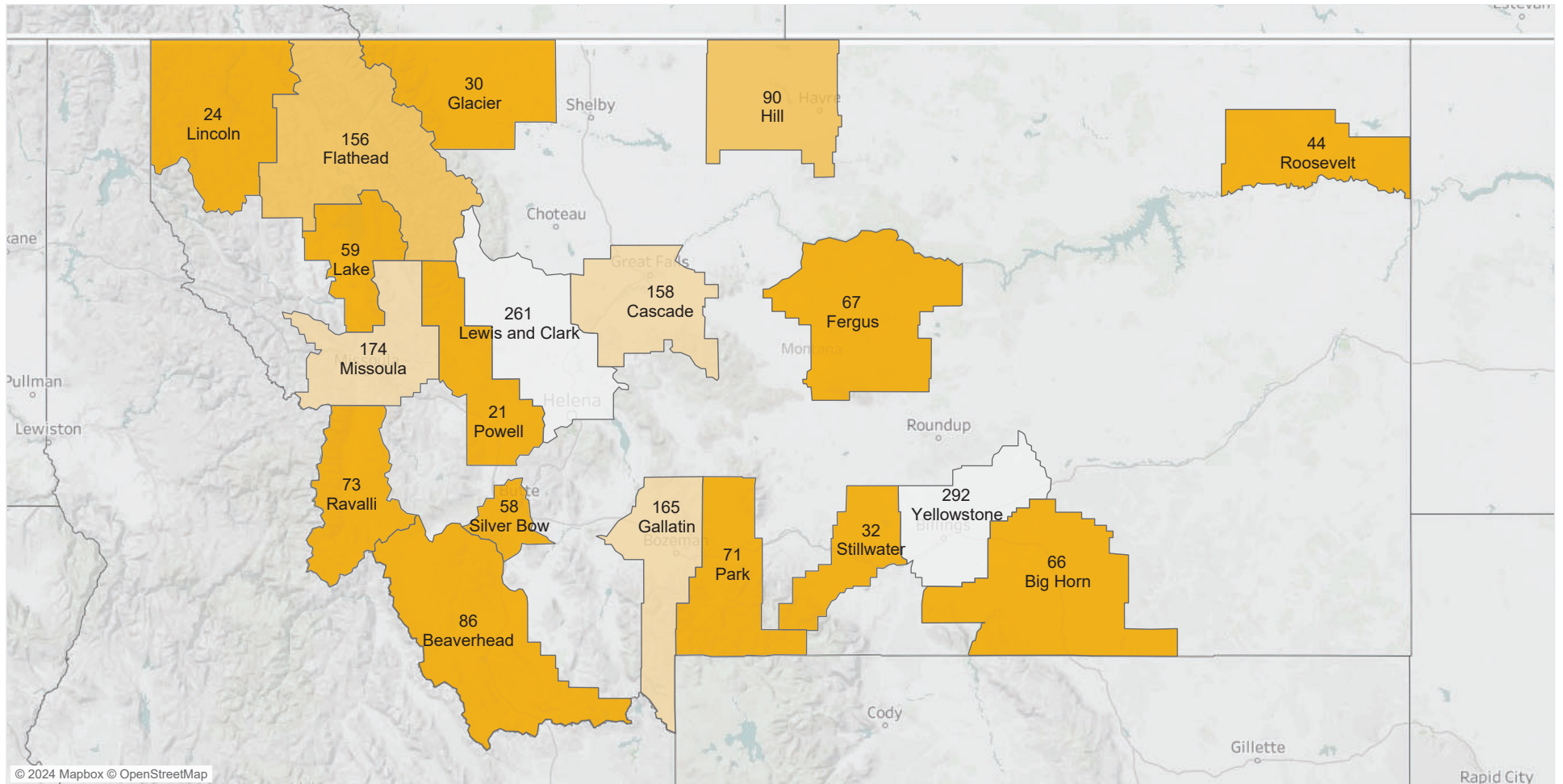
<b>Project Name</b>		Outpost at Kalispell	Towers 9%	Towers 4%
<b>HC Requested (10 yr total)</b>		\$ 8,500,000	\$ 8,495,000	\$ 11,367,980
<b><u>Unit Rents</u></b>				
0-bdrm	60%			
0-bdrm				850
1-bdrm	30%			
1-bdrm	40%			
1-bdrm	50% (HM/HTF)			
1-bdrm	50%	905	1,041	
1-bdrm	60%	1,086	1,041	1,041
1-bdrm				1,000
1-bdrm				1,075
2-bdrm	30%			
2-bdrm	40%			
2-bdrm	50% (HM/HTF)			
2-bdrm	50%	1,086	1,301	
2-bdrm	60%	1,303	1,301	1,301
2-bdrm	70%			
2-bdrm				
2-bdrm				
3-bdrm	30%			
3-bdrm	40%			
3-bdrm	50% (HM/HTF)			
3-bdrm	50%			
3-bdrm	60%			
3-bdrm	70%			
3-bdrm				
4-bdrm	40%			
4-bdrm	50%			
4-bdrm	60%			
4-bdrm	70%			
other				1,075
other mgr(60%)			1,301	
<b><u>Project Costs</u></b>				
Land		1,087,000		200,812
Building/Acquisition			2,964,240	7,767,215
Site Work		700,000		
Construction / Rehab		4,189,433	3,733,333	8,316,667
Soft Costs		1,810,669	940,000	3,760,000
Developer Fees		874,259	1,200,000	3,800,000
Reserves		76,944	235,000	815,000
Total Project Costs		\$ 8,738,304	\$ 9,072,573	\$ 24,659,694
Supportive Services Costs				\$ 815,000
Residential Costs		\$ 8,738,304	\$ 9,072,573	\$ 23,844,694

Project Name	Outpost at Kalispell	Towers 9%	Towers 4%
HC Requested (10 yr total)	\$ 8,500,000	\$ 8,495,000	\$ 11,367,980
Financing Sources			
Hard Loan	1,440,000		4,600,000
Hard Loan			
Soft Loan		1,722,530	6,847,215
Soft Loan			500,000
State HOME			1,000,000
State CDBG			
State NHTF			
Other	375,000		
Other			
Other			
Other			400,000
Deferred Dev Fee	228,594	299,881	1,991,666
HC Equity Competative	6,694,710	7,050,162	
HC Equity Non-Competative			9,320,813
Total Sources:	\$ 8,738,304	\$ 9,072,573	\$ 24,659,694
% of Project Financed by HC:	76.61%	77.71%	37.80%
Costs versus Sources			
Total Project Costs	\$ 8,738,304	\$ 9,072,573	\$ 24,659,694
Total Financing Sources	\$ 8,738,304	\$ 9,072,573	\$ 24,659,694
Difference	\$ 0	\$ -	\$ -
Bond Projects only			
Permanent Loan Requested		\$ 4,600,000	
Bond Issue Requested		\$ 14,300,000	
Bond Resolution Expected		\$ 17,160,000	
Max Bond Issue based on 60% Total Proj Cost		\$ 14,795,816	
Bond Issuer		Montana Board of Housing	
Will it be structured as a bond or loan?		Loan	
Will it be a private placement or public sale?		Private	
Will it be construction only or convert to perm?		Convert to Perm	
Expected closing date		9/1/2026	



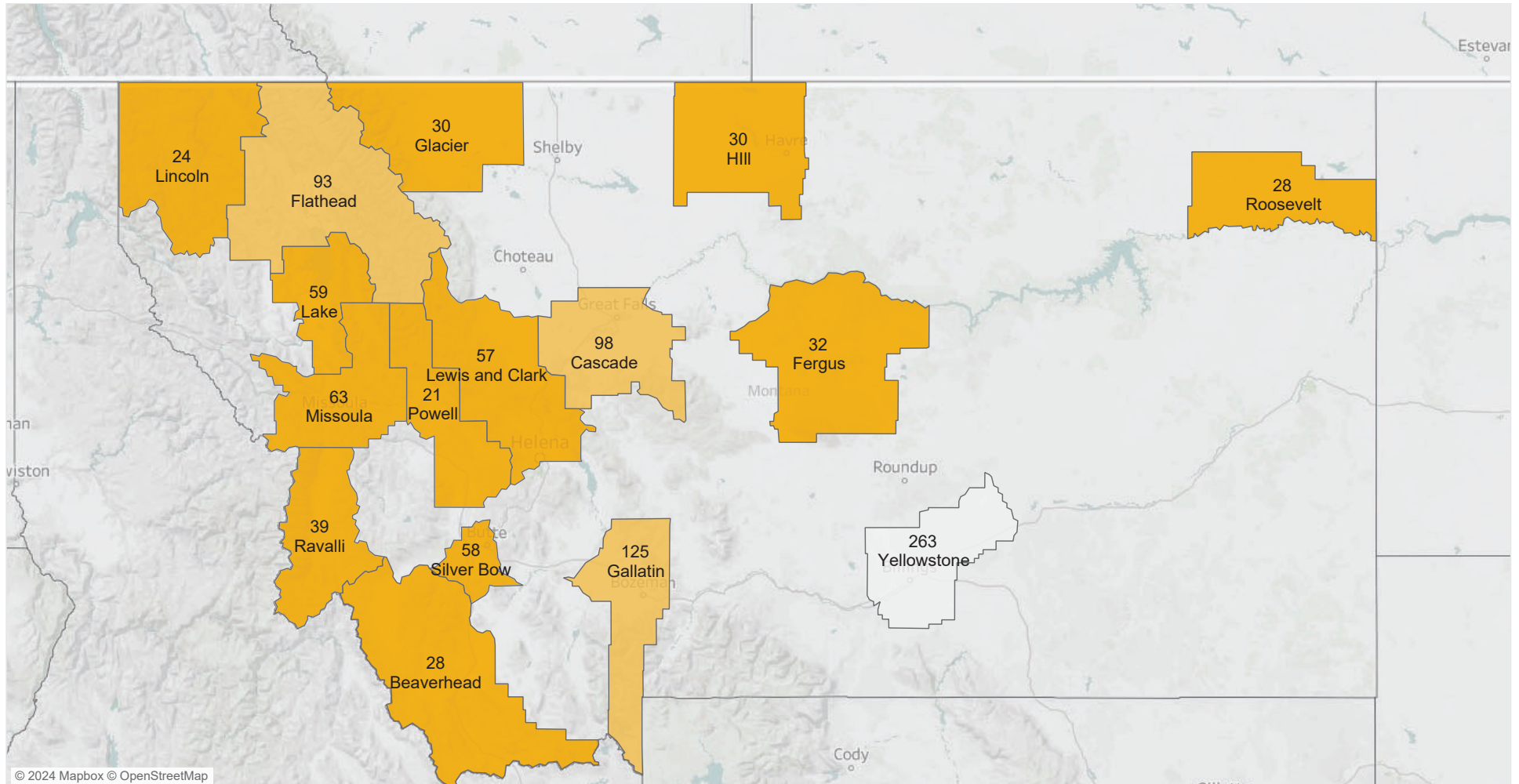
Project Name		Outpost at Kalispell	Towers 9%	Towers 4%
HC Requested (10 yr total)		\$ 8,500,000	\$ 8,495,000	\$ 11,367,980
Comparative Data for Presentation to the Board				
Return on Sale of HTC				
HTC Requested		\$ 8,500,000	\$ 8,495,000	\$ 11,367,980
HTC Equity		\$ 6,694,710	\$ 7,050,162	\$ 9,320,813
HTC Return on Sale		0.79	0.83	0.82
Per Unit Comparison				
		Limits		
Cost per unit total	n/a	\$ 364,096	\$ 206,195	\$ 244,155
Cost per unit residential only	\$350,000	\$ 364,096	\$ 206,195	\$ 236,086
Cost per unit Const / Rehab	n/a	\$ 203,726	\$ 84,848	\$ 82,343
Credits per unit	n/a	\$ 354,167	\$ 193,068	\$ 112,554
Per Square Foot Comparison				
Construction / Rehab per sq ft		\$ 213	\$ 121	\$ 60
Total Project Cost per sq ft		\$ 380	\$ 294	\$ 179
Credits per sq ft		\$ 370	\$ 275	\$ 82
Credits per sq ft (residential only)		\$ 370	\$ 275	\$ 82
Utilities Paid by (Tenant / Owner)		Owner	Owner	Owner
Market Study Data:				
Units needed for Targeted AMI's		164	1,131	1,131

# No. of units of 9% projects by County - Last 10 years



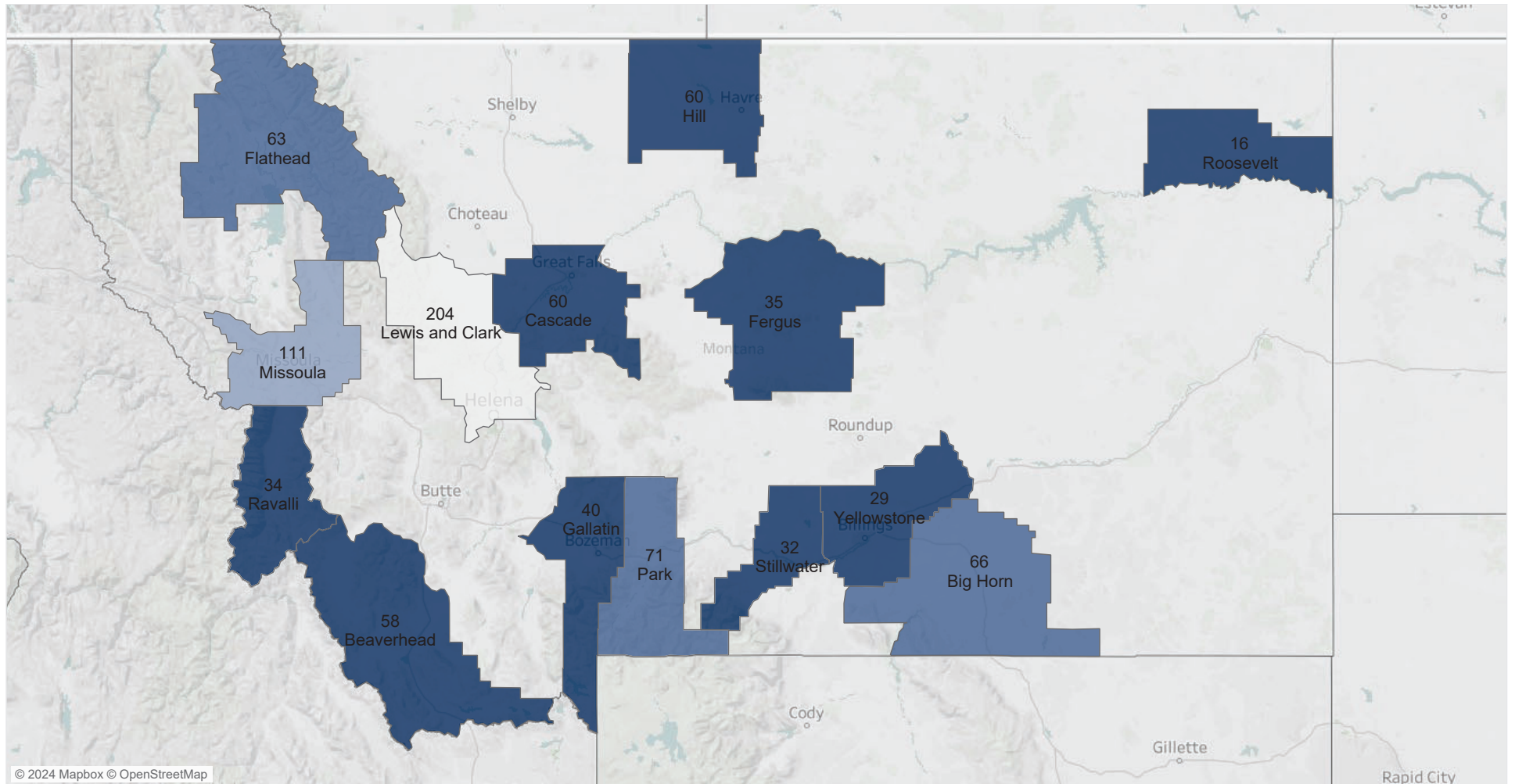
Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet. Map based on Longitude (generated) and Latitude (generated). Color shows sum of No. of Units. The marks are labeled by sum of No. of Units and County. Details are shown for County. The data is filtered on Credit Type, Year Allocated and ACTIVE or INACTIVE. The Credit Type filter keeps 9%. The Year Allocated filter ranges from 2015 to 2024. The ACTIVE or INACTIVE filter keeps Active.

## No. of Units of New 9% Projects by County - Last 10 Years



Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet. Map based on Longitude (generated) and Latitude (generated). Color shows sum of No. of Units. The marks are labeled by County and sum of No. of Units. Details are shown for County. The data is filtered on Credit Type, Type of Construction, Year Allocated and ACTIVE or INACTIVE. The Credit Type filter keeps 9%. The Type of Construction filter keeps New Construction. The Year Allocated filter ranges from 2015 to 2024. The ACTIVE or INACTIVE filter keeps Active.

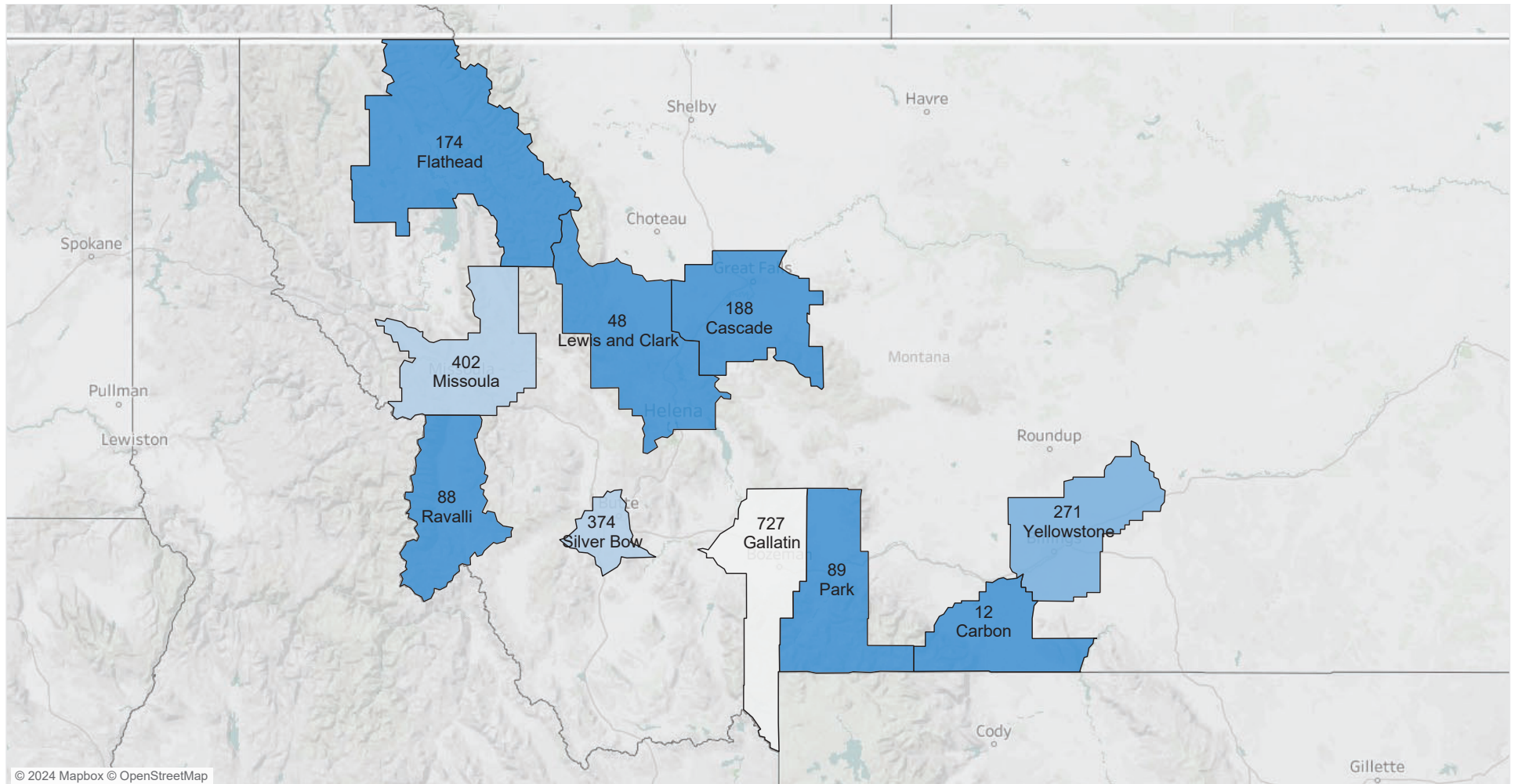
## No. of Units of Acq/Rehab 9% Projects by County - Last 10 Years



Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet. Map based on Longitude (generated) and Latitude (generated). Color shows sum of No. of Units. The marks are labeled by County and sum of No. of Units. Details are shown for County. The data is filtered on Credit Type, Year Allocated and ACTIVE or INACTIVE. The Credit Type filter keeps 9%. The Year Allocated filter ranges from 2015 to 2024. The ACTIVE or INACTIVE filter keeps Active.

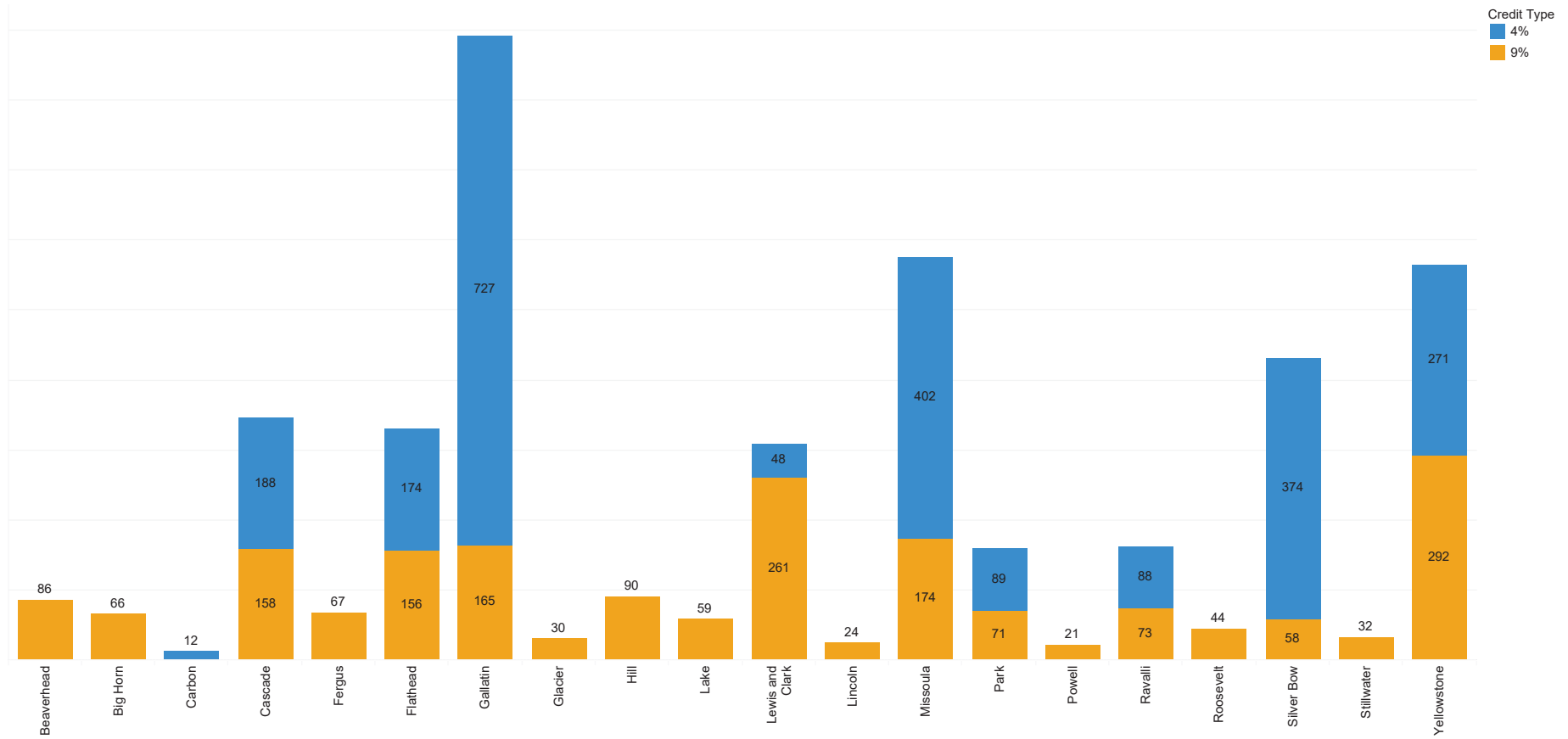


## No. of units of 4% projects by County - Last 10 Years



Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet. Map based on Longitude (generated) and Latitude (generated). Color shows sum of No. of Units. The marks are labeled by County and sum of No. of Units. Details are shown for County. The data is filtered on Credit Type, Year Allocated and ACTIVE or INACTIVE. The Credit Type filter keeps 4%. The Year Allocated filter ranges from 2015 to 2022. The ACTIVE or INACTIVE filter keeps Active.

4% & 9% Projects by County - Last 10 years



Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet. Sum of No. of Units for each County. Color shows details about Credit Type. The data is filtered on Year Allocated and ACTIVE or INACTIVE. The Year Allocated filter ranges from 2015 to 2024. The ACTIVE or INACTIVE filter keeps Active. The view is filtered on Credit Type, which keeps 4% and 9%.

Geographic Region	Geographic Location	Population 2010	Population 2020	Population 2023	Total 4% Bond Homes Created	% of 2020 State Population	% of Statewide 9% Homes
Statewide	Total	989,415	1,084,225	1,132,812	3,418	100.00%	100.00%
Beaverhead	Total	9,246	9,371	9,885	0	0.86%	1.63%
	Dillon	4,134	3,880	4,176	0	0.36%	1.63%
Big Horn	Total	12,865	13,124	12,751	0	1.21%	1.79%
	Crow Agency	1,616	1,657		0	0.15%	1.20%
	Hardin	3,505	3,818	3,709	0	0.35%	0.59%
Blaine	Total	6,491	7,044	6,899	0	0.65%	1.63%
	Chinook	1,203	1,185	1,160	0	0.11%	0.18%
	Fort Belknap	1,293	1,567		0	0.14%	1.29%
	Hays	843	996		0	0.09%	0.16%
Carbon	Total	10,078	10,473	11,419	12	0.97%	0.49%
	Joliet	595	577	620	12	0.05%	0.01%
	Red Lodge	2,125	2,257	2,610	0	0.21%	0.47%
Cascade	Total	81,327	84,414	84,900	349	7.79%	7.38%
	Great Falls	58,505	60,442	60,422	349	5.57%	7.38%
Chouteau	Total	5,813	5,895	5,847	0	0.54%	0.15%
	Fort Benton	1,464	1,449	1,425	0	0.13%	0.15%
Custer	Total	11,699	11,867	11,985	0	1.09%	0.78%
	Miles City	8,410	8,354	8,438	0	0.77%	0.78%
Daniels	Total	1,751	1,661	1,633	0	0.15%	0.16%
	Scobey	1,017	999	983	0	0.09%	0.16%
Dawson	Total	8,966	8,940	8,810	0	0.82%	0.41%
	Glendive	4,935	4,873	4,796	0	0.45%	0.41%
Deer Lodge	Total	9,298	9,421	9,673	0	0.87%	0.15%
	Anaconda	9,298	9,421	9,673	0	0.87%	0.15%
Fergus	Total	11,586	11,446	11,772	0	1.06%	1.35%
	Lewistown	5,901	5,952	6,149	0	0.55%	1.35%
Flathead	Total	90,928	104,357	113,679	421	9.63%	10.56%
	Big Fork	4,270	5,118		0	0.47%	0.81%
	Columbia Falls	4,688	5,308	5,723	36	0.49%	0.83%
	Kalispell	19,927	24,558	29,886	385	2.27%	6.73%
	Whitefish	6,357	7,751	9,163	0	0.71%	2.19%
Gallatin	Total	89,513	118,960	126,409	727	10.97%	9.18%
	Belgrade	7,389	10,460	12,509	0	0.96%	1.36%
	Big Sky	2,308	3,591		0	0.33%	0.37%
	Bozeman	37,280	53,293	57,305	727	4.92%	6.98%
	Manhattan	1,520	2,086	2,109	0	0.19%	0.24%
	Belgrade.				0		0.24%
Glacier	Total	13,399	13,778	13,609	0	1.27%	3.21%
	Browning	1,016	1,018	1,005	0	0.09%	2.20%
	Browning & Heart Butte				0		0.52%
	Cut Bank	2,869	3,056	3,017	0	0.28%	0.21%
	Cutbank				0		0.28%
Hill	Total	16,096	16,309	16,276	0	1.50%	3.33%
	Box Elder	87	85		0	0.01%	0.49%
	Havre	9,310	9,362	9,330	0	0.86%	2.84%

Population Source: Data compiled 9/12/2024 by the Research & Information Services Bureau (RIS), MT Dept of Commerce.

Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet.

Population 2010, Population 2020, Population 2023, Total 4% Bond Homes Created, Number of 9% HC Projects, Total 9% HC Homes Created, Percent of State 9% Units and % of 2020 State Population broken down by Geographic Region and Geographic Location. Filtered by Active and Comp Fulfilled. Credit Type filtered keeping 4% and 9%.

Geographic Region	Geographic Location	Population 2010	Population 2020	Population 2023	Total 4% Bond Homes Created	% of 2020 State Population	% of Statewide 9% Homes
Lake	Total	28,746	31,134	33,338	0	2.87%	4.94%
	Arlee	636	720		0	0.07%	0.15%
	Elmo	180	244		0	0.02%	0.15%
	Pablo	2,254	2,138		0	0.20%	1.49%
	Polson	4,488	5,148	5,613	0	0.47%	2.03%
	Ronan	1,871	1,955	2,172	0	0.18%	0.99%
	St. Ignatius	842	768	820	0	0.07%	0.13%
Lewis and Clark	Total	63,395	70,973	75,011	48	6.55%	8.97%
	Fort Harrison (Helena)				0		0.62%
	Helena	28,190	32,091	34,464	48	2.96%	8.35%
Lincoln	Total	19,687	19,677	21,895	0	1.81%	0.86%
	Libby	2,628	2,775	3,169	0	0.26%	0.86%
Madison	Total	7,691	8,623	1,676	0	0.80%	0.71%
	Big Sky	2,308	3,591		0	0.33%	0.71%
Meagher	Total	1,891	1,927	2,071	0	0.18%	0.15%
	White Sulphur Springs	939	955	1,022	0	0.09%	0.15%
Mineral	Total	4,223	4,535	5,090	0	0.42%	0.47%
	St. Regis	319	313		0	0.03%	0.12%
	Superior	812	830	925	0	0.08%	0.35%
Missoula	Total	109,299	117,922	121,849	667	10.88%	13.16%
	Lolo	3,892	4,399		0	0.41%	0.59%
	Missoula	66,788	73,489	77,757	667	6.78%	12.57%
Park	Total	15,636	17,191	17,903	89	1.59%	1.67%
	Livingston	7,044	8,040	8,908	89	0.74%	1.67%
Petroleum	Total	494	496	554	0	0.05%	0.09%
	Winnett	182	188	209	0	0.02%	0.09%
Phillips	Total	4,253	4,217	4,249	0	0.39%	0.47%
	Malta	1,997	1,860	1,872	0	0.17%	0.47%
Powell	Total	7,027	6,946	7,133	24	0.64%	0.67%
	Deer Lodge	3,111	2,938	3,030	24	0.27%	0.67%
Ravalli	Total	40,212	44,174	47,738	112	4.07%	3.47%
	Corvallis	976	1,125		36	0.10%	0.00%
	Darby	720	783	860	16	0.07%	0.00%
	Hamilton	4,348	4,659	5,268	60	0.43%	2.79%
	Stevensville	1,809	2,002	2,210	0	0.18%	0.68%
Richland	Total	9,746	11,491	11,173	0	1.06%	0.83%
	Sidney	5,191	6,346	6,112	0	0.59%	0.83%
Roosevelt	Total	10,425	10,794	10,319	0	1.00%	1.63%
	Poplar	810	758	727	0	0.07%	0.62%
	Poplar/Wolf Point				0		0.35%
	Wolf Point	2,621	2,517	2,517	0	0.23%	0.41%
	Wolf Point/Culbertson				0		0.24%
Rosebud	Total	9,233	8,329	8,160	0	0.77%	1.05%
	Forsyth	1,777	1,647	1,616	0	0.15%	0.53%
	Lame Deer	2,052	1,897		0	0.17%	0.52%
Sanders	Total	11,413	12,400	13,684	0	1.14%	0.13%

Population Source: Data compiled 9/12/2024 by the Research & Information Services Bureau (RIS), MT Dept of Commerce.

Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet.

Population 2010, Population 2020, Population 2023, Total 4% Bond Homes Created, Number of 9% HC Projects, Total 9% HC Homes Created, Percent of State 9% Units and % of 2020 State Population broken down by Geographic Region and Geographic Location. Filtered by Active and Comp Fulfilled. Credit Type filtered keeping 4% and 9%.



Geographic Region	Geographic Location	Population 2010	Population 2020	Population 2023	Total 4% Bond Homes Created	% of 2020 State Population	% of Statewide 9% Homes
Sanders	Plains	1,048	1,106	1,222	0	0.10%	0.13%
Sheridan	Total	3,384	3,539	3,498	0	0.33%	0.06%
	Medicine Lake	225	244	244	0	0.02%	0.06%
Silver Bow	Total	34,200	35,133	36,360	434	3.24%	2.74%
	Butte	33,525	34,494	35,701	434	3.18%	2.74%
Stillwater	Total	9,117	8,963	9,173	0	0.83%	0.95%
	Absarokee	1,150	1,000		0	0.09%	0.95%
Sweet Grass	Total	3,651	3,678	3,763	0	0.34%	0.35%
	Big Timber	1,641	1,650	1,686	0	0.15%	0.35%
Toole	Total	5,324	4,971	5,133	0	0.46%	0.35%
	Shelby	3,376	3,169	3,270	0	0.29%	0.35%
Treasure	Total	718	762	772	0	0.07%	0.18%
	Hysham	312	276	278	0	0.03%	0.18%
Valley	Total	7,369	7,578	7,474	0	0.70%	0.09%
	Glasgow	3,250	3,202	3,180	0	0.30%	0.09%
Yellowstone	Total	147,972	164,731	170,843	535	15.19%	13.31%
	Billings	104,170	117,116	120,864	485	10.80%	12.43%
	Laurel	6,718	7,222	7,193	50	0.67%	0.87%
Jefferson	Total	11,406	12,085	13,048	0	1.11%	0.53%
	Boulder	1,183	1,201	1,283	0	0.11%	0.53%

Population Source: Data compiled 9/12/2024 by the Research & Information Services Bureau (RIS), MT Dept of Commerce.

Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet.

Population 2010, Population 2020, Population 2023, Total 4% Bond Homes Created, Number of 9% HC Projects, Total 9% HC Homes Created, Percent of State 9% Units and % of 2020 State Population broken down by Geographic Region and Geographic Location. Filtered by Active and Comp Fulfilled. Credit Type filtered keeping 4% and 9%.

## No. of Units by Project Name - Last 10 Years

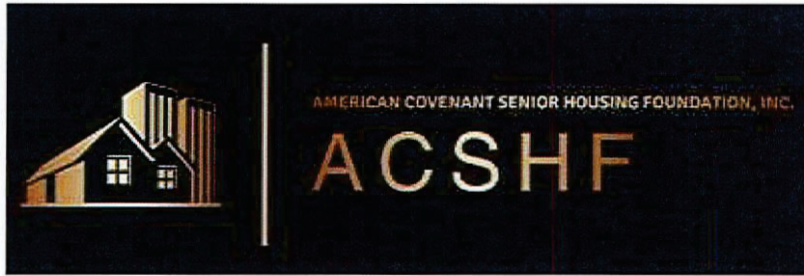
Credit Year	Credit Type	Project Name	City	No. of Units
2015	4%	Larkspur Commons 4%	Bozeman	136
	9%	Antelope Court	Havre	30
		Cascade Ridge II (See Add'L Credits In 2016)	Great Falls	16
		Gallatin Forks	Manhattan	16
		Guardian Apartments	Helena	118
		River Ridge	Missoula	70
		Stoneridge Apartments	Bozeman	47
		Sweet Grass Commons	Missoula	27
2016	4%	River Run Apartments 4%	Great Falls	96
	9%	Big Sky Villas	Belgrade	24
		Cascade Ridge II - Additional Allocation See 2015 Orig	Great Falls	
		Little Jon Rehab (resyndicated)	Big Fork	31
		North Star (see add'L credits 2018)	Wolf Point	
		Red Fox	Billings	30
		Valley Villas	Hamilton	34
2017	4%	Big Sky Manor resynd 4%	Kalispell	60
		Rockcress 4%	Great Falls	92
	9%	Blackfeet VI	Browning	30
		Gateway Vista	Billings	24
		Polson Landing	Polson	35
		Rockcress 9%	Great Falls	32
		Roosevelt Villas (see add'L credits 2018)	Wolf Point/Culbertson	
2018	4%	Copper Ridge 4%	Butte	32
		Starner Gardens 4%	Billings	101
	9%	Bluebunch Flats (see add'l credits 2019)	Livingston	37
		Copper Ridge 9% (includes orig + add'L credit)	Butte	32
		Cottonwood Creek (see add'l credits 2019)	Deer Lodge	21
		Courtyard Apartments	Kalispell	32
		Freedoms Path (refreshed credits fr 2016)	Ft Harrison (Helena)	42
		Meadows Senior	Lewistown	35
		North Star (see orig credits 2016)	Wolf Point	28
		Roosevelt Villas (see orig credits 2017)	Wolf Point/Culbertson	16
		Starner Gardens 9%	Billings	40
2019	4%	Red Alder 4%	Helena	48
	9%	Alpenglow	Whitefish	38
		Bluebunch Flats (see original credits 2018)	Livingston	34
		Chapel Court	Billings	54
		Cottonwood Creek (see orig credits 2018)	Deer Lodge	
		Meadowlark Vista	Ronan	24
		Oakwood Village	Havre	60
		Red Alder 9%	Helena	37
2020	4%	Arrowleaf Park Apartments 4%	Bozeman	136
		Elm Street 4%	Butte	35
		Emporda 4%- Resyd Courtyard I & II	Corvallis	36
		Leggat 4%	Butte	30
		Perennial Park Apartments 4%	Bozeman	96

Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet. Sum of No. of Units broken down by Measure Names vs. Year Allocated, Credit Type, Project Name and Project City. The data is filtered on Year Allocated and ACTIVE or INACTIVE. The Year Allocated filter ranges from 2015 to 2024. The ACTIVE or INACTIVE filter keeps Active.

## No. of Units by Project Name - Last 10 Years

Credit Year	Credit Type	Project Name	City	No. of Units
2020	4%	Ponderosa Acres 4%	Billings	120
		Rosalie Manor 4%	Butte	65
		Silver Bow 4%	Butte	212
	9%	Burnt Fork Place	Stevensville	16
		Fire Tower Apts	Helena	44
		Homestead Lodge	Absarokee	32
		Pioneer Meadows	Dillon	28
		Skyview	Missoula	36
		Timber Ridge Apts (9% of 4/9)	Bozeman	30
2021	4%	Bitterroot Valley Apts (old Bitt Comm2 of 2, 4% of 4/9)**Resyd	Darby	16
		Bitterroot Valley Apts (old Mtn View (1 of 2, 4% of 4/9)**Resyd	Hamilton	36
		Boulevards Apts 4%	Bozeman	41
		Castlebar 4%	Bozeman	72
		Darlington Manor Apts 4%	Bozeman	100
		Miles Building 4%	Livingston	40
		Sherwood Apts 4%	Livingston	49
		Trinity 4%	Missoula	202
		Villagio 4%	Missoula	200
	9%	Apsaalooke HA Homes I	Crow Agency	43
		Creekside Commons	Kalispell	31
		Crowley Flats( orig credits see add'l credits above)	Lewistown	16
		Jackson Court 9%	Billings	38
		Laurel Depot	Laurel	19
		MRM Unified Campus	Billings	29
2022	4%	Comstock Apts (resyn Comstock I, II, II)	Bozeman	86
		Junegrass Place 4%	Kalispell	114
		Spruce Grove_Joliet 4%	Joliet	12
		Spruce Grove-Laurel 4%	Laurel	50
	9%	Batz Perm Supp Apts	Great Falls	25
		Bicentennial Apts	Dillon	58
		Crowley Flats (add'l credits see orig below)	Lewistown	16
		Junegrass Place 9%	Kalispell	24
		Riverview Apts	Big Sky	25
2023	9%	Tapestry Apts	Billings	26
		ANHA LIHTC #2	Crow Agency	23
		Cabinet Affordable Housing	Libby	24
		Carter Commons	Great Falls	25
		Creekside Apartments 9%	Missoula	41
2024	9%	Meadowlark Senior	Butte	26
		7th and Aspen 9%	Bozeman	23
		Elmore Roberts	Great Falls	60
		Mitchell Court	Billings	32
		Riverstone Senior Res	Hamilton	23
		Twin Creek Apts 9	Helena	20

Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet. Sum of No. of Units broken down by Measure Names vs. Year Allocated, Credit Type, Project Name and Project City. The data is filtered on Year Allocated and ACTIVE or INACTIVE. The Year Allocated filter ranges from 2015 to 2024. The ACTIVE or INACTIVE filter keeps Active.



April 10, 2025

Montana Board of Housing  
PO Box 200528  
Helena MT 59620-0528

RE: MHTC (Montana Housing Tax Credit) Letter of Intent

Dear Montana Board of Housing:

This letter and attachment meet(s) the requirements of the Qualified Allocation Plan as it relates to the submission of a "Letter of Intent". If invited, we are prepared to submit a full application in August 2025.

The project being submitted is as follows:

Name: **Golden Lion Manor**

City: **Troy, MT**

County: **Lincoln**

Developer: **American Covenant Senior Housing Foundation, Inc.**

General Partner: **American Covenant Senior Housing Foundation, Inc.**

Management Company: **Infinity Management & Investments, Inc.**

Property Type: **Acquisition/Rehab, Family (USDA 515) 24 Units R/A**

**Non-Profit**

Set-aside: **Small Rural**

Project Description:

The Golden Lion Manor project located in Troy, Montana, provides critically needed housing for seniors and families. It needs extensive rehab to preserve continued occupancy. The existing project consists of 20 total units within city limits and is located approximately 15 miles from Libby, Montana. There are eighteen one-bedroom units and two additional two-bedroom units all located within a single level apartment complex. The entire project will target households at 60% AMI or below. The 20 Units





receive rental assistance (R/A) through the HUD Section 8 Housing Program. It is critical to improve the project to maintain Rental Assistance.

The developer of the project and the General Partner is American Covenant Senior Housing Foundation, Inc., a 501c3 non-profit organization. This entity has extensive experience with the acquisition and rehabilitation of low-income properties for families and seniors across the country, including acquisition/rehabilitation projects for seniors and new construction for families in Montana

Anticipated Amenities:

The Golden Lion Manor project will focus on green and aesthetic features to help with efficiency as well as neighborhood appeal. Solar energy is anticipated to offset consumption costs for tenants.

Other green features include low E glass to help regulate thermal environments and seasonal energy efficiency ratio that exceeds ASHRAE standards. All units shall be equipped with Energy Star appliances, vinyl plank flooring, and LED lighting. Units will be refurbished with low to no VOC paint. Energy can be lost in a home through poor insulation therefore high rated insulation will be utilized where possible during rehab.

General Description of Project Location to Services:

The City of Troy has a small population of less than 1000 people. It is located in the Kootenai River gorge near the Kootenai National Forest. Troy is three miles from Montana Highway 56, on U.S Route 2, between Yaak and Libby. The town's economy has historically been supported by mining and logging. There are many features to enjoy such as Kootenai Falls, which has been featured in movies such as "The River Wild" and "The Revenant". There is a public school district, library and several other attractions for locals to enjoy.

Our funding sources are comprised of conventional financing, NHTF and HOME funds. However, if we were given the opportunity to utilize a Coal Trust Loan in place of conventional financing, We would be able to diminish the amount of NHTF and HOME funds allowing others to utilize them to bring additional affordable units online.

Please feel free to reach out with any questions.

Sincerely,



Gerald M. Fritts, Executive Director  
American Covenant Senior Housing Foundation, Inc.  
431 1<sup>st</sup> Ave. West, Kalispell, MT 59901  
[gmf@acshf.com](mailto:gmf@acshf.com)

## MARKET STUDY SUMMARY

<b>Market Study Company:</b>	Gill Group, Inc.
<b>Project Name:</b>	Golden Lion Manor
<b>Project Market Area:</b>	Lincoln County

Is the project, as proposed, viable?

Average (comparable/achievable) market unit rents in immediate area and the percent the proposed project rents are below these rents.

	Market Rents	% Project Rents Below	Reference page:
0 bedroom	N/A	N/A	
1 bedroom	N/A	N/A	
2 bedroom	N/A	N/A	
3 bedroom	N/A	N/A	
4 bedroom	N/A	N/A	
5 bedroom	N/A	N/A	N/A

# of all New Units Needed:  Reference page:

# of units needed for the targeted AMI of the project:  Reference page:

Vacancy Rate:  Reference page:

Months to Lease-up:  Reference page:

Capture Rate:  Reference page:   
(projected income eligible tenants who will move in next year/proposed units)

Absorption Rate:  Reference page:   
(proposed units/existing LIH, market area units required)

Penetration Rate:  Reference page:   
(existing LIH units/total eligible households)

Number of LI households that can afford rent of proposed project:  Reference page:

Distance (miles) to: (only fill this out at full market study)

<input type="text" value="N/A"/>	miles to grocery store (convenience store does not count)
<input type="text" value="N/A"/>	miles to medical services appropriate and available to all prospective tenants (e.g., hospital, doctor offices, etc.) and are one of the following:

☐ A Project is located within 1½ miles of the specified amenity or essential service.

☐ Public or contracted transportation (not including taxi or school bus service) is reasonably available to the specified amenity or service (i.e., the Project is located within ¼ mile of fixed bus stop or on a same day call basis) (or letter from provider committing to establish such service); or

☐ Where applicable, the specified amenity or service is available via a no-charge delivery service to the Project Location (all distances must be as specified in the Project's market study).



04/09/2025

Golden Lion, LLC

To whom it may concern,

I am writing to inform you that we have met with local agencies who have voiced their support for our acquisition/rehab project of Golden Lion Manor. Their support will play a pivotal role in ensuring success within the Troy community.

The following agencies have expressed their support to our project:

- Kootenai Senior Citizens Center – They provide meals, activities and support to local seniors including some of Golden Lion Manor's current tenants.
- Troy City Clerk

The community will have a general meeting at 10:00am on May 6<sup>th</sup> and will further discuss our project at that time. We are grateful for their involvement and are confident that, with their support, we can achieve our objectives and make a positive impact on the community in Troy.

Executive Director,



Gerald Fritts



## Letter of Intent Narrative

Date: 4/10/2025

Montana Board of Housing  
PO Box 200528  
Helena MT 59620-0528

RE: HC-LOI (Housing Credit - Letter of Intent)

Dear Board of Housing:

This letter with attachment meets the requirements of the Qualified Allocation Plan as it relates to the submission of a "Letter of Intent" and if invited it will be eligible to submit a full application.

The property being submitted is as follows:

Property Name: Hardin Senior Housing

City: Hardin

County: Bighorn

Developer: American Covenant Senior Housing Foundation, Inc.

Developer Contact Info: Gerald Fritts

-email & phone#: gmf@acshf.com 406.235.6593

General Partner Owner: American Covenant Senior Housing Foundation, Inc.

Management Company: Infinity Management

HC Consultant: N/A

Property Type (Family/Senior): Senior

Profit/Non-profit: Non-profit

Minimum Set-aside:

20/50 \_\_\_\_\_

40/60: X \_\_\_\_\_

Average Income

Property Description: Hardin Senior Housing is an acquisition rehab of "Rangeview Apartments" located at 1128 Rangeview Drive, Hardin, Montana. The project consists of 24 one (1) bedrooms+ one (1) bathroom unit. The complex comprises a two-story elevator-serviced apartment with wood frame construction, siding exteriors, and an asphalt shingle roof, built in 1989, and includes an accessory building and is well located to provide tenants with a residential setting. The development is designed for individuals aged 62+ and disabled, approved by the Rural Development program with 22 of the 24 units subsidized. The project undertakes rehabilitation efforts intended to sustain full occupancy and compliance with LIHTC regulations, forecasting a construction start in



April 2026 and completion by December 2026. The anticipated rehabilitation projects no permanent displacement of residents. The project is in a market area with growth in the senior population and households, serving a very large geographical area including many members of the local tribal community.

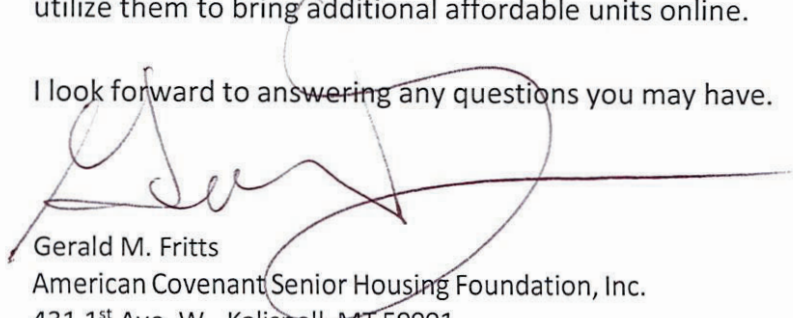
We propose to improve the property with air conditioning, solar, new flooring, new appliances, new cabinets, and new plumbing fixtures. The bathroom will have walk-in showers, raised stools and grab bars. Several amenities will be included for the convenience of the tenants (many are disabled). We will be providing covered outdoor seating, picnic table and barbeque, and raised gardens.

There is a strong demand for rental units in the market area, especially for better quality rental units. The existing properties in the market area generally have high occupancy rates and often feature waiting lists, indicating a shortage of available rental housing. The market area is experiencing growth in both population and households, further increasing the demand for rental housing. The rehabilitation project will target senior households with incomes below certain thresholds, specifically designed to be affordable to those earning below 30% to 60% of the area median income. This suggests that there are senior households currently underserved by the available housing options. The target development has maintained stable occupancy rates historically, which supports the assertion that there is an ongoing demand for such units in the market area.

Raised garden beds will provide the correct height for disabled in wheelchairs to work the gardens. The community room will have a kitchenette, needed for tenant recreation and meetings. The covered seating area is so tenants will be able to be outdoors as much as possible (we are to make a wind break part of the structure). Solar elements will assist the costs of general operations. In-unit amenities such as refrigerators, range/ovens, vinyl flooring, blinds, coat closets, and ceiling fans. Practical amenities like on-site management and maintenance, and laundry facilities. Shopping, dining, medical and pharmacies are easily accessible from a mile to a mile and a half of the property.

Our funding sources are comprised of an assumption of current USDA 515 debt, conventional financing and HOME funds. However, if we were given the opportunity to utilize a Coal Trust Loan in place of conventional financing, we would not need HOME funds therefore allowing others to utilize them to bring additional affordable units online.

I look forward to answering any questions you may have.



Gerald M. Fritts  
American Covenant Senior Housing Foundation, Inc.  
431 1<sup>st</sup> Ave. W., Kalispell, MT 59901  
gmf@acshf.com

## MARKET STUDY SUMMARY

<b>Market Study Company:</b>	Gill Group
<b>Project Name:</b>	Hardin Senior Housing
<b>Project Market Area:</b>	Bighorn County. Population 12,822

Is the project, as proposed, viable?

Average (comparable/achievable) market unit rents in immediate area and the percent the proposed project rents are below these rents.

	Market Rents	% Project Rents Below	
0 bedroom	N/A	N/A	
1 bedroom	N/A	N/A	
2 bedroom	N/A	N/A	
3 bedroom	N/A	N/A	
4 bedroom	N/A	N/A	Reference page:
5 bedroom	N/A	N/A	<input type="text" value="60"/>

# of all New Units Needed:  Reference page:

# of units needed for the targeted AMI of the project:  Reference page:

Vacancy Rate:  Reference page:

Months to Lease-up:  Reference page:

Capture Rate:  Reference page:   
(projected income eligible tenants who will move in next year/proposed units)

Absorption Rate:  Reference page:   
(proposed units/existing LIH, market area units required)

Penetration Rate:  Reference page:   
(existing LIH units/total eligible households)

Number of LI households that can afford rent of proposed project:  Reference page:

Distance (miles) to: (only fill this out at full market study)

<input type="text" value="N/A"/>	miles to grocery store (convenience store does not count)
<input type="text" value="N/A"/>	miles to medical services appropriate and available to all prospective tenants (e.g., hospital, doctor offices, etc.) and are one of the following:

☐ ☒ A Project is located within 1½ miles of the specified amenity or essential service.

☐ ☒ Public or contracted transportation (not including taxi or school bus service) is reasonably available to the specified amenity or service (i.e., the Project is located within ¼ mile of fixed bus stop or on a same day call basis) (or letter from provider committing to establish such service); or

☐ ☐ Where applicable, the specified amenity or service is available via a no-charge delivery service to the Project Location (all distances must be as specified in the Project's market study).

**All other services and distance to each.**

	Other Service	Distance (mi)
1	Grocery	1
2	Pharmacy	1
3	Medical	1
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MAYOR  
Joe Purcell

POLICE CHIEF  
Paul M. George Jr.



PUBLIC WORKS DIRECTOR  
Michael Hurff Jr.

FINANCE OFFICER/CITY CLERK  
Andrew Lehr

April 11, 2025

American Covenant Senior Housing Foundation, Inc.  
431 1<sup>st</sup> Avenue West  
Kalispell, MT 59901

Dear Tricia Martin,

Thank you for continuing with your plan to improve housing in the City of Hardin. The outlines and goals for the renovations that had been presented to council will help assure safe, quality housing to a group of high-risk residents.

Continuing to provide quality, affordable housing to our Seniors and Disabled is a common goal for our local government and community.

The Mayor's Office, City Council, and the Citizens of Hardin support your renovation goals and pursuit of funding through the Montana Board of Housing.

Thank you for supporting our community.

Respectfully,

A handwritten signature in black ink, appearing to read "Joe Purcell".

Mayor Joe Purcell  
City of Hardin





The City of Missoula has experienced unprecedented growth over the last five years like many communities in Montana. A large portion of the City's growth has been concentrated on the western outskirts of town, where land is available, but public transportation and amenities are absent. The Missoula Midtown 9% development presents a rare opportunity to achieve higher density with an infill development, where services are readily available. Missoula Midtown 9% will be a 30-unit family development located in central Missoula. The location and development structure aligns with the City of Missoula's priorities as it relates to a new Midtown Comprehensive Development plan that is currently being commissioned by the City.

The Missoula Midtown 9% development is the 9% side of a 4/9 twinned financial structure that is being proposed by Blueline Development, Inc. The complementing site for the 4% side is located at the corner of Boardway West and North Russell Street. Blueline Development has site control through a purchase agreement on the subject property. The 9% site is currently owned by a holding company controlled by Blueline Development. Representatives of Blueline Development have been collaborating with the City of Missoula since 2023 to structure the development to meet the greatest need in the community. The development team has been in close communication with the Missoula Redevelopment Agency, and we anticipate local financial participation through the use of Workforce Housing Funds and/or Tax Increment Financing.

Missoula County had an estimated population of 107,158 in 2010, based on the findings in the mini-market study conducted by JRES. The Missoula County growth rate is expected to be nearly double the national growth rate from 2024-2029. The county is expected to reach a population of 125,278 by 2029, representing an annual growth rate of 0.7%. In comparison, the United States' growth rate is projected to be 0.4% over the same period. Housing development, and particularly affordable housing development, has not kept up with the City's population growth. In 2023, the city of Missoula issued permits for 285 multifamily units and 333 units in 2024, although only 41 rehab units were affordable housing. Additionally, there have been only 24 units of new construction awarded 9% LIHTC since 2020.

The development will offer tenant amenities such as in-unit washers and dryers, solar panels to reduce tenant paid utilities, air conditioning and extra bike storage. These amenities will help promote a healthy and affordable living environment. Additional amenities will include Energy Star certification for the building, quality finishes such as solid surface counter tops, decks and patios for each unit, and the installation of solar panels. The inclusion of energy-saving amenities will provide a tenant benefit by reducing tenant-paid utility costs.

The Missoula Midtown 9% development will be specifically marketed to families with children. The development will offer 7 two-bedroom units; 15 three-bedroom units; and 8 four-bedroom units. The development will offer a safe and convenient location for families, as the site is within walking distance of Sentinel High School, Washinton Middle School, and Lewis and Clark



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Elementary School. Additional conveniences include close proximity (less than ¼ mile for both sites) to public transportation, restaurants, shopping, a gym and public parks.

The proposed development will serve families earning 40% AMI to 60% AMI with an overall weighted average of 53% AMI. The Midtown 9 development is committed to maintaining affordability for a total of at least 50 years- at least 35 years beyond the initial 15-year compliance period.

BlueLine Development is a Missoula-based company started in 2011 by Nate Richmond and Kelly Gill. BlueLine Development is a growing team with decades of experience in utilizing complex financial structures to create sound affordable housing development. BlueLine Development has completed over 50 developments, through partnerships with local non-profit organizations, housing authorities, and local municipalities. BlueLine Development is continuously growing its geographical footprint, developing from the Rocky Mountains to the Northern Plains, and having working experience with a variety of funding sources, from the Affordable Housing Tax Credit Program, AHP funding, Housing Choice Vouchers, RD, HOME, NAHASDA, ARD, and HTF.

Over the last several years, BlueLine has expanded to incorporate construction and property management. BlueLine Construction has successfully completed the construction of 265 affordable housing units across Montana, Wyoming and South Dakota since 2021. The construction team has proven experience in navigating challenging market and labor conditions ignited by the Covid-19 Pandemic, by delivering quality construction within schedule.

The mini-study concluded that there is a need for an additional 774 units at the proposed AMI levels. This represents an approximate 3.8% capture rate. The study also noted the recent extreme increases in the cost of living due to home values in the community. "Since 2019, median home prices have surged dramatically, reaching roughly \$550,000-\$560,000 in recent reports, making homeownership unattainable for many. The rental market is also strained, with vacancy rates often falling below healthy levels (dipping below 1% in 2022 before recovering somewhat) and average rents climbing significantly, leading to a high percentage of cost-burdened households and contributing to increased homelessness." The study further concluded that the local economy presents compelling opportunities for potential tenants with a low unemployment rate at 3.3% and overall job growth of 1.6% as of the end of 2024.

The Missoula Midtown 9% development will help to maximize the limited federal funding available in the state of Montana. The efficiencies created with the twinned financial structure make it feasible to develop 200 affordable housing units compared to 30-40 units with a similar 9% LIHTC investment. The accompanying 4% tax-exempt bond proposal will provide an additional 170 affordable housing units offering rents at 50%-70% of Area Median Income. Considering the limited resources available for affordable housing development, the Midtown 9% proposal offers an excellent opportunity to expand a very limited resource.

## MARKET STUDY SUMMARY

<b>Market Study Company:</b>	JRES Intelica CRE
<b>Project Name:</b>	Missoula LITHC Apartments
<b>Project Market Area:</b>	Missoula County

Is the project, as proposed, viable? YES

Average (comparable/achievable) market unit rents in immediate area and the percent the proposed project rents are below these rents.

	Market Rents	% Project Rents Below	
0 bedroom			
1 bedroom			
2 bedroom	N/A for Mini Study		
3 bedroom	N/A for Mini Study		
4 bedroom	N/A for Mini Study		Reference page: <span style="border: 1px solid black; padding: 2px 10px;"></span>
5 bedroom			

# of all New Units Needed: 774 Reference page: 6-7

# of units needed for the targeted AMI of the project: 774 Reference page: 6-7

Vacancy Rate:  Reference page:

Months to Lease-up:  Reference page:

Capture Rate:  Reference page:   
 (projected income eligible tenants who will move in next year/proposed units)

Absorption Rate:  Reference page:   
 (proposed units/existing LIH, market area units required)

Penetration Rate:  Reference page:   
 (existing LIH units/total eligible households)

Number of LI households that can afford rent of proposed project: 2,211 Reference page: 6

Distance (miles) to: (only fill this out at full market study)

	miles to grocery store (convenience store does not count)
	miles to medical services appropriate and available to all prospective tenants (e.g., hospital, doctor offices, etc.) and are one of the following:

☐ A Project is located within 1½ miles of the specified amenity or essential service.

☐ Public or contracted transportation (not including taxi or school bus service) is reasonably available to the specified amenity or service (i.e., the Project is located within ¼ mile of fixed bus stop or on a same day call basis) (or letter from provider committing to establish such service); or

☐ Where applicable, the specified amenity or service is available via a no-charge delivery service to the Project Location (all distances must be as specified in the Project's market study).

## Letter of Intent Narrative

Date: April 14, 2025  
Montana Board of Housing  
PO Box 200528  
Helena, MT 59620-0528

RE: 9% Housing Credit – Letter of Intent, **Pryor Creek Apartments**

Dear Board of Housing:

On behalf of Graystoke Social Impact, LLC, we submit this Letter of Intent (LOI) for Pryor Creek Apartments, a 24-unit affordable family housing development in Billings, addressing Montana’s critical housing shortage. Located in the vibrant Billings Heights neighborhood, Pryor Creek will deliver energy-efficient, high-quality homes for households at 0-60% of Area Median Income (AMI), meeting all Qualified Allocation Plan (QAP) requirements for a 9% Housing Credit. We respectfully request your support to advance this vital project to full application.

### Project Overview

Development Name:	Pryor Creek Apartments
Address:	522 Jacque Lane, Billings, Yellowstone County, Montana
Developer:	Graystoke Social Impact LLC
General Partner:	To be formed GP LLC
Management Company:	Fortified Property Solutions LLC
HC Consultants:	Not Applicable
Property Type (Family/Senior):	Family/New Construction
Profit/Non-profit:	Non-Profit Eligible
Minimum Set-Aside:	40/60
Projected Construction Start:	April 2026
Projected Completion:	April 2027-June 2027

### Project Description

Pryor Creek Apartments will transform a vacant 1.75-acre lot, zoned for multifamily development, into a sustainable 24-unit community for Billings families. Situated 750 feet from Main Street—a major transportation corridor—the site offers walkable access to essential amenities: Walmart (0.2 miles), Bitterroot Elementary (0.3 miles), Beartooth Elementary (0.4 miles), and Medicine Crow Middle School (0.5 miles). Frequent bus service at stops within 0.5–0.6 miles connect residents to downtown Billings and regional employment hubs.

The project features one efficient residential building with 18 two-bedroom and 6 three-bedroom units, including accessible ground-floor apartments.



## **About the Sponsor**

Graystoke Social Impact (GSI), the affordable housing division of Graystoke Capital Partners (GCP), develops and preserves high-quality, affordable homes for low-income families. GCP owns and operates 26 properties across six states, including 7 in Montana—3 in Billings—and 7 LIHTC projects, 2 of which are in Montana, serving households at 0-60% AMI. Fortified Property Solutions, GCP's in-house property management company, oversees 78% of GCP's portfolio, including all 7 Montana properties, with proven expertise in affordable.

Co-sponsor Happy Home Capital Corporation, a 501(c)(3) nonprofit founded in 2020, advances Pryor Creek's mission by ensuring access to safe, affordable housing for underserved Billings families. Corey Checketts, GSI's President, brings over 12 years of affordable housing development experience, having led 8 projects. With a strong local presence and LIHTC expertise, our team is positioned to deliver Pryor Creek on time, within budget, and with lasting community impact.

## **Anticipated Amenities**

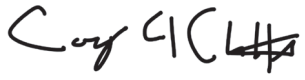
Pryor Creek prioritizes resident comfort and affordability. All units include air conditioning, energy-efficient appliances (refrigerator, oven/range, microwave, dishwasher), and in-unit washer/dryer hookups to reduce household costs. A community building will house a leasing office, onsite laundry, exercise equipment, and computer workstations to support education and employment. The project pursues Energy Star certification with high-efficiency HVAC systems and durable finishes, complemented by a landscaped play area with age-appropriate equipment for children. These amenities address the practical needs of low-income families while fostering a safe, vibrant community.

## **Justification for Need**

Billings faces a documented shortage of 1,709 affordable units for households at 0-60% AMI, with only 190 new LIHTC family units planned, underscoring the urgent need for Pryor Creek's 24 units. The project's 0.5% penetration rate reflects minimal competition and strong demand, ensuring full occupancy. Monthly rents—\$943–\$1,162 for two-bedroom units and \$1,077–\$1,330 for three-bedroom units—are affordable for 4,824 Billings households, per the mini market study. To serve the most vulnerable, we commit to reserving at least 2 units for 30% AMI households, pending full market study confirmation, and will explore rental subsidies to further enhance affordability.

Pryor Creek Apartments will provide 24 desperately needed homes, fostering stability and opportunity for Billings families. We respectfully request your support to advance this sustainable, community-focused project to full application, bringing us closer to meeting Montana's urgent housing needs.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Corey CICC" with a stylized flourish at the end.

Corey Checketts, President  
Graystoke Social Impact LLC  
On behalf of the development team

## MARKET STUDY SUMMARY

<b>Market Study Company:</b>	Novogradac
<b>Project Name:</b>	Pryor Creek Apartments
<b>Project Market Area:</b>	Yellowstone County, MT

Is the project, as proposed, viable?

Average (comparable/achievable) market unit rents in immediate area and the percent the proposed project rents are below these rents.

	Market Rents	% Project Rents Below	Reference page:
0 bedroom			
1 bedroom			
2 bedroom	\$ 1,290	91.5%	
3 bedroom	\$ 1,831	73.8%	
4 bedroom			
5 bedroom			12

# of all New Units Needed:  Reference page:

# of units needed for the targeted AMI of the project:  Reference page:

Vacancy Rate:  Reference page:

Months to Lease-up:  Reference page:

Capture Rate:  Reference page:   
(projected income eligible tenants who will move in next year/proposed units)

Absorption Rate:  Reference page:   
(proposed units/existing LIH, market area units required)

Penetration Rate:  Reference page:   
(existing LIH units/total eligible households)

Number of LI households that can afford rent of proposed project:  Reference page:

Distance (miles) to: (only fill this out at full market study)

miles to grocery store (convenience store does not count)  
 miles to medical services appropriate and available to all prospective tenants (e.g., hospital, doctor offices, etc.) and are one of the following:

☐ A Project is located within 1½ miles of the specified amenity or essential service.

☒ Public or contracted transportation (not including taxi or school bus service) is reasonably available to the specified amenity or service (i.e., the Project is located within ¼ mile of fixed bus stop or on a same day call basis) (or letter from provider committing to establish such service); or

☒ Where applicable, the specified amenity or service is available via a no-charge delivery service to the Project Location (all distances must be as specified in the Project's market study).

**All other services and distance to each.**

	Other Service	Distance (mi)
1	Bus Stop	0
2	Walmart Supercenter	0
3	Walgreens	0
4	Cenex Zip Trip Gas Station	0
5	Bitterroot Elementary School	0
6	Western Security Bank	0
7	Crow Middle School	1
8	US Post Office	1
9	Billings Fire Station 6	1
10	Albertsons	2
11	Skyview High School	2
13	Yellowstone County Sheriff's Office	4
14	Yellowstone Medical Center	4
15	Billings Public Library	4
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# VETERANS NAVIGATION NETWORK

Facilitating Veteran Success

4/30/2025

Montana Board of Housing

301 S. Park Avenue

Helena, MT 59601

RE: Letter of Support – Pryor Creek Apartments, Billings, MT

Dear Members of the Montana Board of Housing,

On behalf of Veterans Navigation Network, I am writing to voice our strong support for the Pryor Creek Apartments development proposed at 522 Jaque Lane in Billings. As a veteran-serving nonprofit rooted in the Billings community, we witness every day the vital importance of safe, stable, and affordable housing in helping veterans successfully transition to civilian life.

The planned 24-unit complex—serving households earning between 0% and 60% of Area Median Income—represents an urgently needed addition to our city's limited affordable housing stock. Many of the veterans and families we serve face unique challenges, including service-related trauma, fixed incomes, and difficulty finding appropriately sized units. The inclusion of two- and three-bedroom apartments in this project is particularly important for veteran families, who are often left out of housing conversations.

We believe Pryor Creek Apartments will advance the Montana Board of Housing's mission by improving economic stability, supporting workforce participation, and restoring dignity to residents—especially those who have served our country. Veterans Navigation Network is committed to supporting the success of this development through veteran outreach, community integration, and referrals once the project is complete.

We respectfully urge the Board to award the Low-Income Housing Tax Credits necessary to bring this critical resource to life in the Billings community.

Sincerely,

Blake Fuhrman, Executive Director

Veterans Navigation Network

Blake@veteransnavigation.org

4066985448

501(C)(3) 84-3207666

<https://www.veteransnavigation.org>

[info@veteransnavigation.org](mailto:info@veteransnavigation.org)

<https://www.facebook.com/VetNavNet/>

1-406-435-9308





2415 First Avenue North  
Billings, Montana 59101  
Phone: (406) 245-6391  
Fax: (406) 245-0387  
[www.homefrontpartners.org](http://www.homefrontpartners.org)  
Montana Relay: 711  
Montana211.org

April 29, 2025

Montana Board of Housing  
Montana Housing  
Box 200528  
Helena, MT 59602-0528

Dear Housing Board,

I am writing in support of the proposal by Graystoke Social Impact to develop 24 units of affordable housing in the Billings' heights neighborhood of Jacque Lane.

HomeFront is fully aware of the need in our community for additional, affordable housing. Adding 18 2-bedroom and 6 3-bedroom units will meet part of the need that exists on our waiting lists of over 8,000 families.

The current rental market in Billings is out of reach for many families who need housing and this project will help in alleviating the stress of the market.

We urge you to act favorably on this application.

Thank you for your consideration.

Patti Webster  
CEO



All programs are open to all eligible persons, regardless of Race, Color, National Origin, Disability, Familial Status, Sex, Religion, Creed, Marital Status, Age, Sexual Orientation, or Gender Identity.

4/30/2025

Montana Board of Housing  
Montana Department of Commerce  
PO Box 200528  
Helena, MT 59620-0528

RE: Pryor Creek – 522 Jaque Lan, Billings MT

Letter of Support

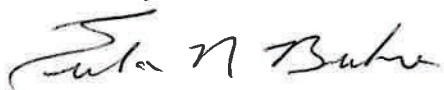
To Whom it may concern,

I am happy to submit this letter of support speaking towards the efforts and plans of Graystoke Social Impact (“GSI”) and Happy Home Capital Corporation (“HHCC”) in the development of Pryor Creek Apartments, which will serve twenty-four low-income families in Billings.

Pryor Creek will provide housing for those earning 0-60% Area Median Income. I am aware of the severe lack of this type of housing and the grim reality that our housing market is anything but affordable. I support this and future projects like it as the need is great and the options in Billings are few.

I appreciate the work of MBOH/MDOC for the betterment of our state’s residents, and I know it will be difficult determining which proposals will move forward among the several available options. Hopefully my letter will help with your evaluation as I strongly encourage you to commit some of your allocation capacity for the development of Pryor Creek.

Thank you,



Erika Burke

Berkshire Hathaway Home Services Floberg Real Estate

(406)544-8033





April 28, 2025

Montana Board of Housing  
301 S. Park Avenue  
Helena, MT 59601

RE: Letter of Support for Pryor Creek Apartments – Billings, MT

Dear Members of the Montana Board of Housing,

On behalf of Big Sky Economic Development, I am pleased to express our enthusiastic support for the Pryor Creek Apartments development proposed at 522 Jaque Lane in Billings. As an organization dedicated to fostering economic growth and community vitality in Yellowstone County, we recognize the critical role that affordable housing plays in supporting our workforce, veterans, and low-income families.

The Pryor Creek Apartments project, with its 24 income-restricted two- and three-bedroom units, will provide much-needed affordable housing for veterans, low-income individuals, and families facing housing challenges. This development will enhance the stability and quality of life for residents, enabling them to thrive in our community. By addressing the housing needs of veterans and others, the project will support their successful integration and long-term economic contributions to Billings.

Beyond its direct benefits to residents, Pryor Creek Apartments will generate economic advantages for the broader community. The project will create jobs, stimulate local business activity, and strengthen Billings' appeal as a place to live and work. These outcomes align with Big Sky Economic Development's mission to drive sustainable economic growth and opportunity.

We applaud the development team's commitment to affordable housing and their focus on serving veterans and low-income residents. We respectfully urge the Montana Board of Housing to approve the Low-Income Housing Tax Credits necessary to make Pryor Creek Apartments a reality. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul Green", enclosed within a large, loopy oval shape.

Paul Green, Executive Director  
Big Sky Economic Development  
201 N. Broadway, Billings, MT 59101  
406-869-8401  
[Paul@bigskyeda.org](mailto:Paul@bigskyeda.org)





**April 25, 2025**

Montana Board of Housing  
301 S. Park Avenue  
Helena, MT 59601

**RE: Letter of Support for Pryor Creek Apartments – Billings, MT**

Dear Members of the Montana Board of Housing,

On behalf of CASA of Yellowstone County, I am writing in strong support of the proposed Pryor Creek Apartments at 522 Jaque Lane in Billings.

As an organization that serves children who have experienced abuse and neglect, we know that safe, stable, and affordable housing is foundational to family well-being. Many of the families we work with struggle to find housing that is both affordable and appropriate for their needs, particularly those working to reunify with their children or transition into independent living. There are many single mothers with children that are in desperate need of affordable housing.

The Pryor Creek Apartments project, with its 24 income-restricted two- and three-bedroom units, will be a critical asset to the Billings community. It directly addresses the urgent need for housing options that serve households earning between 0% and 60% of area median income—precisely the population most at risk of housing insecurity. By helping families achieve stability, this project supports the broader child welfare system and strengthens the community as a whole. We are proud to partner with Pryor Creek Apartments, where a dedicated unit will be reserved for CASA to place a resident when it becomes available.

We believe Pryor Creek Apartments will not only provide immediate housing relief but also create long-term economic and social benefits for Billings. It will contribute to neighborhood stability, support working families, and improve outcomes for children and youth.

Pryor Creek

Thank you for your consideration and your ongoing commitment to supporting Montana's housing needs.

Sincerely,

*Dawn Parnell*

Dawn Parnell  
Court Appointed Special Advocate  
**CASA of Yellowstone County**  
[www.yellowstonecasa.org](http://www.yellowstonecasa.org)



April 30, 2025

Montana Board of Housing  
301 S. Park Avenue  
Helena, MT 59601

Bill Cole, Mayor  
P.O. Box 1178  
Billings, MT 59103-1178  
Phone 406.657.8296  
FAX 406.657.8390

**RE: Letter of Support for Pryor Creek Apartments – Billings, MT**

Dear Members of the Montana Board of Housing:

As Mayor of Billings, I am writing to express my strong support for the proposed Pryor Creek Apartments at 522 Jaque Lane in Billings. This project will help address the overwhelming demand for high-quality, affordable housing in our community, especially for working families, seniors, and individuals living on fixed incomes.

Billings residents are struggling to find safe and stable housing options. The Pryor Creek Apartments project, which includes 24 income-restricted two- and three-bedroom units, will help fill this gap by offering homes to households earning between 0% and 60% of AMI. These are the families that need secure, affordable housing the most.

The location for the project is also ideal. The vacant parcel has easy access to city utilities and zoning that allows for multifamily development. There is walkable access to two elementary schools, a middle school, ample shopping, and a public bus route. There are also numerous jobs and other residential properties in the area.

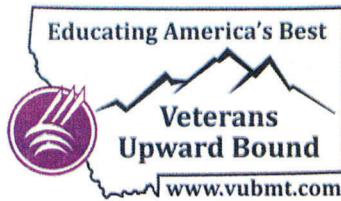
In addition to providing much-needed housing, the project will bring economic benefits to Billings. The construction and operation of Pryor Creek Apartments will generate local jobs, increase tax revenue, and support neighboring businesses. Affordable housing is essential infrastructure that strengthens the local economy and improves the quality of life for our residents.

I believe the development team is committed to building a quality product using inclusive and sustainable design, and I respectfully urge the Montana Board of Housing to approve the necessary low-income housing tax credits to bring this important project to fruition.

Thank you for your time and for your continued efforts in addressing Montana's housing needs.

Sincerely,

William A. Cole, Mayor



## Veterans Upward Bound

1500 University Drive • Cisel Hall • Billings MT 59101  
Office (406) 272-2604 • Fax: (406) 321-5551  
Email [info@vubmt.com](mailto:info@vubmt.com)  
Web: [www.vubmt.com](http://www.vubmt.com)

**April 25, 2025**

Montana Board of Housing  
301 S. Park Avenue  
Helena, MT 59601

RE: Support for Pryor Creek Apartments for Veterans in Billings

Dear Members of the Montana Board of Housing,

Veterans Upward Bound is writing to express our support for the proposed Pryor Creek Apartments development at 522 Jaque Lane in Billings. Our organization is deeply committed to empowering veterans in their educational and career pursuits, and we recognize that stable, affordable housing is a fundamental cornerstone of their long-term success and stability.

Many veterans face significant hurdles in securing safe and affordable housing after their service. The Pryor Creek Apartments project tackles this critical issue. By providing 24 income-restricted two- and three-bedroom units, this development will offer a vital lifeline of affordable housing to veterans, low-income families, and individuals struggling with housing instability in our community. This will tangibly improve their quality of life and significantly contribute to their successful reintegration into civilian life.

The benefits of the Pryor Creek Apartments extend beyond meeting the immediate housing needs of veterans. This project promises to be a valuable asset to the entire Billings community by creating jobs, stimulating our local economy, and enhancing our city's ability to attract and retain veterans and their families, who bring invaluable skills and experience. We firmly believe this development will be an indispensable resource for both our veterans and the wider community.

We commend the development team for their dedication to affordable housing and their unwavering commitment to our veteran community. We respectfully urge the Montana Board of Housing to approve the necessary Low-Income Housing Tax Credits to bring the Pryor Creek Apartments to fruition and make a difference in the lives of our veterans.

Thank you for your time and consideration of this crucial project.

Sincerely,

Michael Wolff | Assistant Director  
Veterans Upward Bound

Billings • Havre • Great Falls • Lewistown • more than 50 NorthNet sites

*Northcentral Montana's Premiere Regional University*

*Veterans Upward Bound is a grant funded program funded by the U.S. Department of Education and administered by Montana State University Northern.*





## Letter of Intent Narrative

Date: **April 14, 2025**

Montana Board of Housing  
PO Box 200528  
Helena MT 59620-0528

RE: HC-LOI (Housing Credit - Letter of Intent) – **Sheep Mountain Residences, Combined 4% and 9%**

Dear Board of Housing:

This letter with attachment meets the requirements of the Qualified Allocation Plan as it relates to submission of a “Letter of Intent” and if invited will be eligible to submit a full application.

The property being submitted is as follows:

Property Name:	<b>Sheep Mountain Residences</b>
City:	Livingston
County:	Park
Developer:	Boundary Development LLC and HRDC
Developer Contact Info:	Joseph Walsh / <a href="mailto:joe@boundarydev.com">joe@boundarydev.com</a> / 503-784-9411 Lila Fleishman / <a href="mailto:lfleishman@thhrdc.org">lfleishman@thhrdc.org</a> / 406-585-4943
General Partner Owner:	Sheep Mountain Residences LLC (to be formed)
Management Company:	HRDC
HC Consultant:	Rotherham Construction
Property Type (Family/Senior):	Family
Profit/Non-profit:	Profit
Minimum Set-aside:	
20/50	
40/60	
Average Income	<u>X</u>

### Property Description:

Boundary Development and HRDC (“Developer”) propose a 48-unit affordable family housing project in Livingston, MT, addressing a long-standing shortage in a community that has seen little subsidized housing development in recent years. Livingston and nearby Paradise Valley face rising rents and limited options for low-income families. This project will provide essential housing while fostering strong local partnerships and community engagement to meet the specific needs of the area. By collaborating closely with city staff and community members, we are committed to delivering a development that is both impactful and widely supported. This effort builds on the success of our ongoing 96-unit affordable housing project in Bozeman (7th and Aspen), showcasing our ability to execute meaningful, community-driven developments.

The proposed site is conveniently located 0.5 miles from the 4 Ranges Wellness Center, which is under construction and will offer significant benefits for future residents. The wellness center will provide residents free access to amenities like aquatics areas, an indoor gym, fitness facilities, a walking and running track, studio spaces, classrooms, and partner organization spaces. These resources will promote health, wellness, and community engagement year-round. The wellness center's proximity enhances the appeal of our housing while supporting residents' well-being, reflecting our dedication to creating developments that align with community priorities and improve quality of life.

The Project will include 48 units in total and will be divided into two condominiums (a “4% Parcel” and “9% Parcel”) and will be financed using both 4% and 9% tax credits as well as tax-exempt bonds (on the 4% Parcel only).

### Justification for Need:

Livingston, Montana, serves as a critical housing hub for a vast geographic area, including Shields Valley, Gardiner, Paradise Valley, and neighboring Gallatin County. Additionally, Livingston is poised to support workers from new industrial operations like the White Sulphur Springs Mine. However, the rapid growth of these employers, combined with increased tourism and the rising popularity of the area among second-home buyers, has placed immense strain on the local housing market.

The demand for affordable housing in Livingston has outpaced supply, leading to skyrocketing costs and the displacement of long-time residents. Vacancy rates are near zero, making it increasingly difficult for local employers to attract and retain workers due to a lack of affordable options. Over the past decade, Park County has delivered only 89 new subsidized units—37 of which were LIHTC-funded—leaving a significant gap in workforce housing. Our proposed 48-unit development aims to address this crisis by serving households earning 50–60% of Area Median Income (AMI), directly targeting the unmet need identified in market studies.

These credits are vital to enabling the construction of affordable housing that supports local residents and workers. Without this investment, both employers and employees will face continued challenges, threatening economic stability across Park County and beyond.

#### **Anticipated Amenities:**

The proposed project has been thoughtfully designed with significant input from the community to ensure it meets the most pressing local needs. One of the largest needs identified is housing for the older generation, particularly one-bedroom units. To address this, the project includes a total of 32 one-bedroom units, 12 two-bedroom units, and 4 three-bedroom units, with 5 units (10% of the total) specifically targeted for persons with disabilities. All units will feature Energy Star appliances, open living and kitchen areas, and ample natural light with great views. The building will also provide on-site parking, bike storage, and shared open spaces to foster community interaction. Additionally, the design incorporates sustainability principles and fully complies with MBOH Green Building requirements, ensuring energy efficiency and environmental responsibility.

- Energy-efficient design compliant with MBOH Green Building standards.
- Mix of 1- to 3-bedroom units, including ADA-accessible options.
- Proximity to the Wellness Center, public transit, and essential services.
- On-site parking, bike storage, and community spaces.
- On going discussions with Wind Rider Transit, a free, fixed-route service, to add a bus stop at our property location.

#### **Sponsor Overview:**

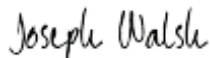
The Project will be developed, owned and managed by Boundary Development and HRDC. Boundary Development is based in Bozeman and is currently developing \$200 million of housing projects, including a 96-unit affordable and middle-income project in Bozeman. HRDC is a non-profit Community Action Agency (CAA) dedicated to strengthening the community and advancing the quality of people's lives in southwest Montana. HRDC instills hope, develops resources, designs solutions and changes lives. The HRDC team has completed more than \$100 million in housing and public facilities development.

Boundary Development and HRDC bring a track record of success that ensures execution, certainty, and financial stability. We respectfully request consideration for housing credits to make this vital project feasible.

If you have any questions, please contact me at:

Joe Walsh | [joe@boundarydev.com](mailto:joe@boundarydev.com) | 503-784-9411

Sincerely,



Joseph Walsh, Boundary Development



Heather Grenier, President/CEO, HRDC

#### **Required Attachments:**

Letter of Intent Property Information Spreadsheet  
Mini Market Study

## MARKET STUDY SUMMARY

<b>Market Study Company:</b>	Novogradac
<b>Project Name:</b>	Sheep Mountain Residences (4%) and (9%)
<b>Project Market Area:</b>	Livingston, Park County

Is the project, as proposed, viable?

Average (comparable/achievable) market unit rents in immediate area and the percent the proposed project rents are below these rents.

	Market Rents	% Project Rents Below	Reference page:
0 bedroom			
1 bedroom	\$ 1,181	91.5%	
2 bedroom	\$ 1,576	82.3%	
3 bedroom	\$ 2,343	64.0%	
4 bedroom			
5 bedroom			9

# of all New Units Needed:  Reference page:

# of units needed for the targeted AMI of the project:  Reference page:

Vacancy Rate:  Reference page:

Months to Lease-up:  Reference page:

Capture Rate:  Reference page:   
(projected income eligible tenants who will move in next year/proposed units)

Absorption Rate:  Reference page:   
(proposed units/existing LIH, market area units required)

Penetration Rate:  Reference page:   
(existing LIH units/total eligible households)

Number of LI households that can afford rent of proposed project:  Reference page:

Distance (miles) to: (only fill this out at full market study)

miles to grocery store (convenience store does not count)

miles to medical services appropriate and available to all prospective tenants (e.g., hospital, doctor offices, etc.) and are one of the following:

☒ A Project is located within 1½ miles of the specified amenity or essential service.

☐ Public or contracted transportation (not including taxi or school bus service) is reasonably available to the specified amenity or service (i.e., the Project is located within ¼ mile of fixed bus stop or on a same day call basis) (or letter from provider committing to establish such service); or

☐ Where applicable, the specified amenity or service is available via a no-charge delivery service to the Project Location (all distances must be as specified in the Project's market study).

**All other services and distance to each.**

	Other Service	Distance (mi)
1	Green Acres Park	0
2	Bus Stop	1
3	Exxon	1
4	Livingston Healthcare	1
5	Police Department	1
6	Park County Rural Fire	1
7	USPS	1
8	Public Library	1
9	Foodworks Grocery Store	1
10	Park High School	2
11	Elementary School	2
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April 3, 2025

Montana Board of Housing  
PO Box 200528  
Helena, MT 59620

Re: MSUE-PC Support for the Sheep Mountain Residences in Livingston

Dear Board of Housing,

Montana State University Extension - Park County (MSUE-PC) is writing in support of the Sheep Mountain Residences development.

As the Community and Economic Development Extension Agent with MSUE-PC, I understand that increasing the County's supply of homes affordable to community members earning 50-60% area median income is critical to our economic performance. Our top two economic sectors are retail trade and leisure and hospitality. Workers in those professions are vital to our vibrant culture and economy.

Despite their importance, compensation for these workers has not kept pace with our cost of living. Wage data published by the Bureau of Labor Statistics and adjusted for inflation puts the 2025 *average* wage for a worker in these sectors at roughly \$34,646. The HUD income limit for a one-person household earning 50% of Park County's area median income is currently \$33,650. Therefore, workers in these sectors are likely to be among those eligible to live in the proposed development if they are single-person or single-earner households.

This development would support those who help make Livingston world-class destination. We strongly urge you to solicit a full application from the development team and award this project low-income housing tax credits.

Sincerely,

A handwritten signature in blue ink that reads 'Mary Anne Keyes'.

Mary Anne Keyes  
Community and Economic Development Agent  
Montana State University Extension – Park County Office

Montana State University,  
U.S. Department of  
Agriculture and Montana  
Counties Cooperating.  
MSU Extension is an equal  
opportunity/affirmative  
action provider of  
educational outreach.

119 South 3rd Street  
Livingston, MT 59047  
[www.msueextension.org](http://www.msueextension.org)

Tel (406) 222-4156  
Fax (406) 222-4199  
E-mail [park@montana.edu](mailto:park@montana.edu)  
[parkcountyextension.org](http://parkcountyextension.org)





April 3, 2025

Montana Board of Housing  
PO Box 200528  
Helena, MT 59620

**CITY OF LIVINGSTON**

220 E. Park Street  
Livingston, MT 59047  
406.823.6000  
LivingstonMontana.org

Subject: Letter of Support

Regarding: Sheep Mountain Residences

Dear Board of Housing,

The City of Livingston is writing in support of the Sheep Mountain Residences development. Housing has been a top priority for City staff and residents for years. Community members identified housing affordability as Livingston's primary challenge during the process that led to our 2021 Growth Policy. Having heard that this was a key concern, the City Commission adopted the 2022 Park County Housing Action Plan as an addendum to the Growth Policy. This plan identifies 12 tools to meet the community's housing needs. Developing homes that access the low-income housing tax credit is the first of those 12 tools.

Last year, a housing study commissioned as part of our downtown master planning effort estimated that Livingston will need 85 new housing units per year over the next 10 years to keep pace with workforce demands. A large share of this demand will be for attached and multifamily housing. Livingston is a reservoir for rental housing in Park County. However, during the past decade, the small inventory of rental apartments units in the city has not kept pace with demand and the number of rental units in certain neighborhoods has even declined.

Recognizing our role in promoting housing development that is affordable to low-income community members, the City adopted a Planned Unit Development (PUD) ordinance that waives impact fees for any new home that will be affordable to households earning 60% area median income or less. Our understanding is that the Sheep Mountain Residences will target households earning 50-60% AMI. This project would be eligible for this and other incentives available under the PUD ordinance, which the development team could access upon the approval of their active PUD application.

The location of the proposed Sheep Mountain Residences has been identified by the community as appropriate for development. Livingston's Future Land Use Map designates areas in the neighborhood for both medium-density residential and mixed-use development. Furthermore, the Sheep Mountain Residences site lies within half a mile of a Windrider stop, the community's fare-free bus system that provides connections to grocery stores, Livingston Healthcare, and Livingston's thriving downtown. It also lies within a half mile of



the community's new 4 Ranges Wellness Center, which will be free for Livingston residents and is slated to open during the winter of 2026-2027.

Because of this project's alignment with our Growth Policy and potential to leverage a unique City incentive, I encourage you to solicit a full application from the development team and award this project low-income housing tax credits.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink that reads "Grant".

Grant Gager  
City Manager



April 11, 2025

Montana Board of Housing  
PO Box 200528  
Helena, MT 59620

Re: LiveWell49 Support for the Sheep Mountain Residences in Livingston

Dear Board of Housing,

As the umbrella organization for all entities and individuals working to improve the health of Park County citizens, LiveWell49 is committed to addressing disparities in health equity across Park County. We recognize that, as Swope and Hernandez describe it in their 2019 paper *Housing as a Determinant of Health Equity: A conceptual model*, “housing is a major pathway through which health disparities emerge and are sustained over time.” This is reflected in our understanding of housing as a social determinant of health.

LiveWell49 knows that a resident’s ability to remain in their home, along with that home’s cost, physical condition, and neighborhood context, all influence health equity outcomes. However, our housing market struggles to deliver homes to low-income community members that offer residential continuity and affordability in a safe and healthy setting. Our current median rent is hundreds of dollars more per month than a household earning 50-60% area median income can afford. Furthermore, more than half of Park County’s homes were built before 1980 and nearly a quarter were built in 1939 or earlier. Because of filtering, lower-income households often end up in older homes with deferred maintenance that could potentially negatively impact the residents’ health.

We support the Sheep Mountain Residences because it would provide safe, affordable housing in perpetuity in a neighborhood with amenities that support wellness, like the new 4 Ranges Wellness Center, Green Acres Park, and free public transit. We encourage you to invite a full application from the development team and award this project low-income housing tax credits.

Sincerely,

Hannah Wologo  
Community Health Specialist



[www.livewell49.org](http://www.livewell49.org)



[info@livewell49.org](mailto:info@livewell49.org)



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Blueline Development, Inc. is proposing the development of Riverstone Ridge, a 32- unit multifamily new construction development in Livingston, MT. This development will have a long-lasting positive impact on the community by providing a development specifically marketed to families with children who are earning 50% to 60% of Area Median Income (AMI). The development will provide quality affordable housing to local families who are currently being priced-out of the community.

The City of Livingston has had a lack of affordable housing development in recent years. The last affordable development was awarded in 2018 for the development of 34 units. Since 2010, Park County has experienced steady growth with the population increasing from 15,636 to approximately 17,945 in 2024 according to the mini-market study conducted by JRES. The community growth rate represents an average annual increase of 1.1%, which aligns with the state of Montana growth rate but exceeds the US rate of 0.7%.

The City of Livingston and its elected officials have recognized the need for additional housing options in the community, and they have taken proactive steps to plan for future growth. The first step the City has taken was to adopt a comprehensive Growth Policy which was established in 2021. In 2022, the City adopted a Housing Action Plan which specifically identifies the LIHTC program as the prioritized tool to develop housing in the community. In February 2023, the City Manager announced a plan to begin implementing the findings of the City of Livingston Growth Policy. As stated in the Housing Action Plan: "Increasing access to homes affordable to people who live or work in Park County is a top priority of residents, local governments, businesses, and nonprofit partners. The current market conditions do not provide enough opportunities for rent or ownership to meet current or future housing needs."

The proposed development will be located on an infill site located in an established neighborhood on the north side of the City. Infrastructure, including utilities, are in close proximity to the site. The proposed development is in an excellent location that is near many services that Livingston has to offer including walking distance to several public parks, grocery store, restaurants and other recreational opportunities. The current owner of the site is a local Livingston developer, who believes in the need for affordable housing in the community. The current land owner will be a special limited partner in the development, and in return will be donating the land to the development. Blueline will be acting as a managing general partner and will be the developer of Riverstone Ridge.

The Livingston Family development will offer a mix of 5 one-bedroom units; 16 two-bedroom units; and 11 three-bedroom units. The development will provide a mix of 50% AMI and 60% AMI units with an overall weighted AMI average of 52.5%. Additionally, Riverstone Ridge is committed to maintaining affordability levels for 35 years beyond the initial 15-year compliance period for a total of 50 years of affordability.



The development is committed to providing energy efficiencies and amenities that support a healthy and active lifestyle; including onsite bike storage, Energy Star rated appliances and fixtures, in unit clothes washers and dryers, decks and patio spaces for each unit, photovoltaic panels, and an Energy Star certification for the entire building. The development will also offer amenities to tenants that are difficult to find in the limited rental housing stock in the community such as air conditioning, dishwashers, solid surface countertops, and quality finishes. These amenities are needed to support a healthy and active lifestyle, reduce tenant paid energy costs, and increase marketability for the property.

These amenities will not only provide a more comfortable living environment but will also be beneficial from a management and maintenance standpoint. Using quality appliances, building materials, and a time-tested design reduces ongoing maintenance and operating expenses. Providing a washer and dryer in each rental unit reduces damage and maintenance costs from tenants moving appliances, it reduces water damage risks from older machines and adds to the affordability and marketability of the rental unit. Additionally, the site is located within 1.5 miles of a grocery store and medical services.

The mini-market study concluded that 273 units are needed in the community of Livingston at the proposed AMI levels. The study found that the proposed unit mix aligns with the bedroom sizes needed in the community. "The subject project's unit mix are targeted to households with 1 to 4 persons, which account for 97% of the Primary Market Area (PMA) renters." Additionally, the study found that the local economy offers excellent employment opportunities in a generally tight labor market with a low unemployment rate of 3.0-3.1% as of early 2025.

BlueLine Development, Inc. is an experienced Montana-based affordable housing development company that has utilized a variety of financing tools including LIHTC, HOME, NHTF, TCAP, and many others. Over the years, BlueLine Development has developed over 3,100 affordable housing units in Montana, Wyoming, Colorado, North Dakota, South Dakota, Utah, New Mexico and Minnesota. The property management team at BlueLine Property Management Company will provide professional property management services to the development and assist residents in achieving their individual and family goals.

The City of Livingston is often overshadowed by Bozeman, where the bulk of affordable housing resources have been focused in recent years. Livingston has also experienced a great influx in population from families who can no longer afford to live in Bozeman- also exacerbating the housing shortage and affordability of rental stock. The proposed construction of 32 affordable housing units in Livingston is excellent opportunity ease the housing burden for local families.

#

## MARKET STUDY SUMMARY

<b>Market Study Company:</b>	JRES Intelica CRE
<b>Project Name:</b>	Livingston LIHTC Apartments
<b>Project Market Area:</b>	Livingston/Park County

Is the project, as proposed, viable? YES

Average (comparable/achievable) market unit rents in immediate area and the percent the proposed project rents are below these rents.

	Market Rents	% Project Rents Below	
0 bedroom			
1 bedroom	N/A for Mini Study		
2 bedroom	N/A for Mini Study		
3 bedroom	N/A for Mini Study		
4 bedroom			Reference page:
5 bedroom			<span style="border: 1px solid black; padding: 2px 10px;"></span>

# of all New Units Needed: 273 Reference page: 6

# of units needed for the targeted AMI of the project: 273 Reference page: 6

Vacancy Rate:  Reference page:

Months to Lease-up:  Reference page:

Capture Rate:  Reference page:   
 (projected income eligible tenants who will move in next year/proposed units)

Absorption Rate:  Reference page:   
 (proposed units/existing LIH, market area units required)

Penetration Rate:  Reference page:   
 (existing LIH units/total eligible households)

Number of LI households that can afford rent of proposed project: 779 Reference page: 6

Distance (miles) to: (only fill this out at full market study)

	miles to grocery store (convenience store does not count)
	miles to medical services appropriate and available to all prospective tenants (e.g., hospital, doctor offices, etc.) and are one of the following:

☐ A Project is located within 1½ miles of the specified amenity or essential service.

☐ Public or contracted transportation (not including taxi or school bus service) is reasonably available to the specified amenity or service (i.e., the Project is located within ¼ mile of fixed bus stop or on a same day call basis) (or letter from provider committing to establish such service); or

☐ Where applicable, the specified amenity or service is available via a no-charge delivery service to the Project Location (all distances must be as specified in the Project's market study).



# OFFICE OF THE SHERIFF

## PARK COUNTY, MONTANA

WITH COURAGE, HONOR AND INTEGRITY, WE PROTECT THE RIGHTS OF ALL CITIZENS

**SHERIFF BRAD BICHLER**

**TAD DYKSTRA - UNDERSHERIFF**

**JEFF MOUNT - CHAPLAIN**

April 16, 2025

Montana Board of Housing  
PO Box 200528  
Helena, MT 59620

Dear Board of Housing,

I am writing this in support of BlueLine Development's Affordable Housing Tax Credit Application for a project in Livingston, MT. Affordable housing in Livingston and Park County is a significant problem we have been facing for sometime now. As I draft this letter, I am looking at a letter of resignation I received only yesterday from one of my highest performing Deputies that is being forced to leave my organization because he and his fiancé are unable to make ends meet to the high cost of rent. Keep in mind this is a young man who was born and raised in this community, enlisted in the military to serve his country overseas came back home to serve his community, but can not afford to live here. Unfortunately, this example is one of many that I could reference.

BlueLine Development's project is something this community needs desperately. Not only for my workforce, but many others throughout Livingston and Park County. It is for these reasons and many others that I support this project without hesitation.

Thank you for your time and consideration.

A handwritten signature in black ink, appearing to be "Brad W. Bichler", written over a horizontal line.

Brad W. Bichler, Sheriff

PARK COUNTY SHERIFF'S OFFICE  
414 E CALLENDER ST  
P.O. BOX 443  
LIVINGSTON, MT 59047

BUSINESS/CIVIL (406) 222-4172  
NON-EMERGENCY (406) 222-2050  
FAX (406) 222-4175





320 Alpenglow Lane  
Livingston, Montana 59047  
www.LivingstonHealthCare.org  
406.222.3541

April 14, 2025

Montana Board of Housing  
PO Box 200528  
Helena, MT 59620

Subject: Letter of Support

Regarding: BlueLine Development Low-Income Housing Tax Credit Application for Project in Livingston, Montana

Dear Board of Housing,

Livingston HealthCare is writing in support of BlueLine Development's Low-Income Housing Tax Credit Application for a project in Livingston, Montana. Affordable housing for the hospital's workforce is an ongoing unmet need in our community. Housing unavailability and unaffordability have become the primary barriers to recruiting and retaining the staff necessary to provide the community access to the robust, high-quality healthcare it needs.

The location of BlueLine Development's project has been identified by the community as appropriate for development and was recently reclassified as a high-density residential area. The project location is close to the City's community soccer complex and other community amenities, making it an excellent location for multi-family housing. Last year, a housing study commissioned as part of the downtown master planning effort estimated that Livingston will need 85 new housing units per year over the next 10 years to keep pace with workforce demands. A large share of this demand will be for attached and multifamily housing, like this project.

Because of this project's alignment with the hospital's workforce and community housing needs, I support BlueLine Development's project in Livingston.

Thank you for your consideration.

Sincerely,

Bruce Whitfield  
Chief Executive Officer



April 15, 2025

Dan Kaul  
Diamond Development, LLC  
201 W Park St  
Livingston, MT 59047

Dear Dan,

I have been following with great interest your development at the former Diamond K Lodge site in Livingston. I understand that you are pursuing a TRULY affordable, workforce housing component as phase 3 of your project. I could not be more supportive of this having witnessed the dire need for affordable workforce housing in our community. Nearly all of our 50+ employees at the Hilton and Marriott hotels that we developed and operate here in Livingston have faced difficulties associated with adequate and affordable housing in our town. Thank you for pursuing this worthy objective and please let me know how I can support your efforts!

Sincerely,

Douglas Braham



# Opportunity Bank OF MONTANA

April 22, 2024

Montana Board of Housing  
PO Box 200528  
Helena, MT 59620

Subject: Letter of Support

Regarding: BlueLine Development Low-Income Housing Tax Credit for Project in Livingston Montana.

Dear Board of Housing,

I support BlueLine Development's Low-Income Housing Tax Credit Application for a project in Livingston, Montana.

Low-income housing is essential for small community banks as it promotes economic stability and growth locally. Investing in it strengthens the social fabric, builds lasting relationships with residents and businesses, and contributes to a thriving economy.

The project's location has been deemed suitable by the community and reclassified as a high-density residential area.

A recent housing study indicated that Livingston requires 85 new units per year for the next decade to meet workforce demands, particularly attached and multifamily housing like this project.

Given its alignment with community banking principles and Livingston's growing need for housing, I support BlueLine Development's project.

Sincerely,

Megan Watts  
Livingston Branch President



April 14, 2025

Mr. Jason Hanson  
Multifamily Program Manager  
Montana Department of Commerce  
301 S Park Avenue  
Helena, MT 59620

Re: Development Summary - Granite Peak Apartments Butte, Montana

Dear Mr. Hanson,

Granite Peak, 36 units of much needed, new, senior, affordable housing, will be a refinement of senior affordable housing Thomas Development Co. (TDC) has developed for the past 35 years.

What follows is a partial list of the refinements which have been made over these years.

- Tub showers removed; all units now have accessible showers. Why? We have found that bathtubs are difficult to use for seniors, particularly those who have had hip or knee replacements.
- Two-bedroom units - we started constructing only one-bedroom units on the assumption that our family size would generally be a single person or perhaps a couple. While this is still largely the case, there is a need for a two-bedroom unit as a couple may have health issues making it more convenient for separate sleeping arrangements or a second bedroom for a part-time caregiver, family member staying with the senior individual, or couple to assist them frequently has made this decision a wise one.
- Replace vinyl siding with cementitious siding. Vinyl siding was "all the rage" 25 or so years ago. Long term, the wear pattern, particularly in cold climates, has not been the best.
- Handrails in central hallways - the community space central hallways are an excellent gathering place and opportunity for our senior residents to get exercise. The handrails are a big benefit to those with mobility issues.
- Raised community gardens. Many of our residents have either never lived in an apartment or not for a long time. Providing raised, mobility accessible, gardens at the onsite community space gives them a sense of "homeyness" and fosters community interaction. We ask our residents to help select the plants and vegetables they would like. We pay for them and assist the residents with planting if needed.

The current amenity list for our senior apartment communities has also been refined to include all of the following:

- Full size washers and dryers provided by ownership in each unit.
- Walk-in closets.
- Walk-in outside storage and patios/decks.
- Dishwashers and microwaves.

The ownership/management philosophy of Thomas Development Co. and Northwest Integrity Housing Co., is that we want our residents to actively engage with other residents at Granite Peak and have amenity space sufficiently sized to be able to invite family and friends for birthdays, Mother's Day, Father's Day, Thanksgiving, Christmas, Easter, etc. To that end, we provide:

A community gathering space on the ground floor just as you enter the main door purposely designed to look like a large living room, great room, and kitchen. This fosters both a sense of homeyness for our residents and serves as a gathering point for resident activities, including holiday parties, monthly potlucks, etc. Examples of our resident activity programs at Meadowlands Apartments are attached in the Other Documents Tab 6-1A.



Additional community spaces include:

- Exercise facility with age-appropriate equipment.
- Library.
- Craft room.

Granite Peak will meet each of the MBOH Elderly Design Requirements including a large patio furnished with benches, tables, chairs, a gas barbecue, and raised community gardens.

We have included libraries in our senior communities for 35 years. The library is both a space for intellectual stimulation but also presents an opportunity to create community and camaraderie amongst our residents. How is that? We will stock the library with a range of books, magazines, and books on tape. Our onsite resident manager will encourage residents to bring in books, books on tape, etc., which they have already used to make available for their neighbors. Inevitably, this results in the library shelves being overstocked. This overstock creates another opportunity for community engagement, as the books can become a part of the annual neighborhood yard sale, which we strongly encourage our residents' communities to conduct. Proceeds are owned by the residents for collective community benefit.

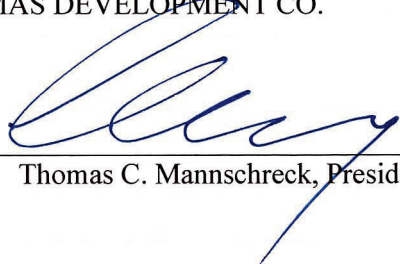
**NEED:** The need for senior housing in Butte is rising every year. Between 2010 and 2024 Butte gained an average of 124 senior households per year. This market area is projected to gain 61 senior households annually through 2029 and will account for 53% of the market area's households. Butte currently has 2 age-restricted LIHTC properties with 113 units. One of these is Meadowlands Apartments, owned by Butte Affordable Housing and Thomas Development Co., which contains 48 units. These units are only vacant for short periods due to residents either needing increased care or death. This information was gathered from historical awards in the Montana Department of Commerce website.

The recommendation from Prior and Associates, the mini market study provider, is to proceed with the development of Granite Peak Apartments. The need for affordable housing throughout the State of Montana, both family and senior, is likely demonstrated in all mini market studies. Certainly, that is the case with our Granite Peak study showing an immediate need for 282 additional senior affordable apartment communities. With this demand likely showing in all senior applications, we suggest Montana Board of Housing staff and Board consider a basic tenant of Section 42, that is the equitable distribution of LIHTC resources throughout the state. To that end, we have prepared two different graphs (which can be found at Tab 6-1) attached showing the distribution of senior LIHTC awards (both 4 percent and 9 percent awards) for the period of 2013 through 2024. Both charts show distributions either by number or units, units awarded on a per capita basis, and as a percentage of the total units awarded from 2013 to 2014. The results are very telling. By all three measurements, Butte Silver Bow has received significantly less LIHTC resources than all other cities and towns identified. Whether this is a function of applications submitted and not awarded, or simply a lack of applications, MBOH staff and Board have an opportunity to achieve both a Section 42 and MBOH stated objective of equitably and fairly distributing resources throughout the state by approving the Granite Peak senior application to go forward with a full application.

Sincerely,

THOMAS DEVELOPMENT CO.

By



Thomas C. Mannschreck, President

## MARKET STUDY SUMMARY

<b>Market Study Company:</b>	Prior & Associates
<b>Project Name:</b>	Granite Peak
<b>Project Market Area:</b>	Butte, MT

Is the project, as proposed, viable?

Average (comparable/achievable) market unit rents in immediate area and the percent the proposed project rents are below these rents.

	Market Rents	% Project Rents Below	Reference page:
0 bedroom			
1 bedroom	N/A		
2 bedroom	N/A		
3 bedroom			
4 bedroom			
5 bedroom			

# of all New Units Needed:  Reference page:

# of units needed for the targeted AMI of the project:  Reference page:

Vacancy Rate:  Reference page:

Months to Lease-up:  Reference page:

Capture Rate:  Reference page:   
(projected income eligible tenants who will move in next year/proposed units)

Absorption Rate:  Reference page:   
(proposed units/existing LIH, market area units required)

Penetration Rate:  Reference page:   
(existing LIH units/total eligible households)

Number of LI households that can afford rent of proposed project:  Reference page:

Distance (miles) to: (only fill this out at full market study)

<input type="text" value="N/A"/>	miles to grocery store (convenience store does not count)
<input type="text" value="N/A"/>	miles to medical services appropriate and available to all prospective tenants (e.g., hospital, doctor offices, etc.) and are one of the following:

☐ A Project is located within 1½ miles of the specified amenity or essential service.

☐ Public or contracted transportation (not including taxi or school bus service) is reasonably available to the specified amenity or service (i.e., the Project is located within ¼ mile of fixed bus stop or on a same day call basis) (or letter from provider committing to establish such service); or

☐ Where applicable, the specified amenity or service is available via a no-charge delivery service to the Project Location (all distances must be as specified in the Project's market study).

**All other services and distance to each.**

	Other Service	Distance (mi)
1		
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## Letter of Intent Narrative

Dear Board of Housing:

We respectfully submit this “Letter of Intent” for Wildflower Apartments (the Project), a rehabilitation construction project consisting of 96 apartments of affordable housing in Missoula, Montana.

Name: Wildflower Apartments  
City & County: Missoula, Missoula  
Developer/General Partner: United Housing Partners /Bouchee Development/Missoula Housing Authority  
Project Type: Family  
Set-aside: Non-Profit

### Project Description:

Wildflower Developers LLC, a partnership between United Housing Partners LLC (UHP), Bouchee Development LLC, and the Missoula Housing Authority (MHA) proposes to acquire and rehabilitate 96 apartments at 1250 34<sup>th</sup> St., Missoula, MT 59801 which are currently owned and managed by MHA but have lost affordability restrictions and are in need of repairs and efficiency upgrades. In 2024, MHA was able to refinance the property in order to keep it affordable, but without a tax credit allocation, MHA has no choice but to sell the project at market value, which would cost Missoula nearly 100 affordable dwellings, currently housing 171 people.

The scope of the rehab is beyond the limits of a 9% Low Income Housing Tax Credits (LIHTC) and will require a twinned 4% / 9% structure in order to create enough equity and raise the debt necessary to fully update and rehab the property for the renewed term of income restrictions.

The 9% LIHTC project, Wildflower 9 Apartments (WF 9), will include 40 dwellings and be separated from the 56 dwellings of Wildflower 4 Apartments (WF 4) through a condo structure. The table below shows how the units are allocated to meet the 60% AMI average requirement for Income Averaging in accordance with the 2026 Qualified Allocation Plan (QAP).

Project & Unit Mix Summary					
	Bedrooms	Baths	Sqft	60% Units	Total Units
9% Project	0 Bedroom	1	502	8	8
9% Project	1 Bedroom	1	582	8	8
9% Project	2 Bedroom	1	804	12	12
9% Project	3 Bedroom	2	1,117	12	12
TOTAL 9% Project		52	31724	40	40
	Bedrooms	Baths	Sqft	60% Units	Total Units
4% Project	0 Bedroom	1	502	12	12
4% Project	1 Bedroom	1	582	12	12
4% Project	2 Bedroom	1	804	24	24
4% Project	3 Bedroom	2	1,117	8	8
TOTAL 4% Project		64	41,240	56	56
TOTAL All Buildings		116	72964	96	96

### Anticipated Amenities

Wildflower Apartments offer convenient and desirable affordable housing in the historic Lewis and Clark Neighborhood on Missoula’s south end. The property is across the street from MHA’s offices in a mixed-use neighborhood, a short walk from Albertsons (0.2 miles) and Patee Creek Market (0.3 miles). Bancroft Pond and Missoula Playfair Park are both just blocks away, and Spartan Park, the Fairgrounds and Splash Montana (0.8 miles) are all within a mile. Other amenities include CostCare Clinic (0.5 miles), Missoula Wellness (0.5 miles) and Western Montana Now Care Clinic (1 mile), as well as restaurants and shops along both Higgins and Russell Streets. This is a highly walkable location but also has an existing bus stop at the 34<sup>th</sup> Street entrance for the Mountain Line transit.

Each apartment comes with a/c, dishwasher, and an offsite parking spot. There are private garages available for a monthly fee, plus a community laundry facility, leasing office, patio for events and BBQs, and a playground.

**Financial Plan:**

WF 9 and WF 4 will be separated through a condo association and financed and managed as two distinct projects, utilizing their own financing sources in the two capital stacks. Execution of the complex financial structure required for a 9%/4% twinned deal to preserve these crucial homes for Missoula's community led MHA to bring in the expertise of both Tyson O'Connell (UHP) and Mike Bouchee (Bouchee Development), two of the region's most experienced LIHTC developers. Both developers live in Missoula and immediately recognized the importance of preserving these units as early as 2023 when the rental restrictions were expiring and MHA asked the Montana Board of Housing (MBOH) to allow for a rent raise exception in order to eliminate the significant loss to lease from having under market rents in order to raise enough debt and complete a successful LIHTC rehabilitation and preservation of the 96 affordable apartments.

The Project delayed application in 2024 due to the development team lacking the ability to close the financial gap with existing soft sources or build a feasible model. However, with MBOH raising the equity limits on 9% allocations for 2025, the applicants have found a creative path forward by utilizing MHA's general contracting experience and \$2,000,000 in Missoula Impact Funds to close the financial gap. The goal of this financial plan allows the Project to fully leverage the impact of the noncompetitive 4% credits and the seller notes to stretch the greatest impact of a single \$8,500,000 9% award into preserving the most units possible.

**Justification for Need:**

Missoula County has struggled to keep pace with demand for quality affordable housing. While numerous projects have been built over the past decade, preservation of existing dwellings remains an important component in meeting the community's needs, particularly with the Johnson Street homeless shelter (see Johnson Street Homeless Shelter) set to close in August 2025, placing nearly 150 more people on the streets, seeking a safe place to stay. According to Missoula's 2024 At-Risk Housing Coalition (ARHC) Needs and Gaps Analysis, "a total of 634 households need any permanent housing solution" (see Needs-and-Gaps). The MHA has had an admission preference for homeless households since 2005. This means projects owned and operated by MHA are even more likely to have direct impact on those not able to access limited transitional housing opportunities.

A mini market study carried out by Prior & Associates for the sponsors (see 4\_MiniMktStudy\_Wildflower), found Missoula still has a shortage of 2,159 affordable units. This is supported by Wildflower's 0% vacancy. Since 2010, Missoula has added an average of 371 households per year, while Missoula County gained an average of 498 households annually. This means that demand continues even as building affordable supply has become even more difficult. Rehabilitating and retrofitting existing properties to add to the community's overall supply is a more cost-effective method, especially when given the chance to leverage much of the improvements to undersubscribed 4% credits and bonds.

With tariffs expected to put further pressure on the cost of new construction, those with the lowest income will continue to have the fewest housing options. Wildflower Apartments will allow the 171 individuals and children currently living in these dwellings to experience like new living conditions without having to move or face rent raises. An award also adds decades of affordability to 96 homes, rather than have them lost to market rate development. The clock is ticking for this project and its residents.

The Project will be brought into compliance with QAP standards and demonstrate clear alignment with the priorities and goals of Missoula County, the City of Missoula, and Montana Housing.

Sincerely,



Tyson O'Connell

Member of United Housing Partners LLC, managing member of Wildflower Developers LLC

## MARKET STUDY SUMMARY

<b>Market Study Company:</b>	Prior & Associates
<b>Project Name:</b>	Wildflower Apartments
<b>Project Market Area:</b>	City of Missoula

Is the project, as proposed, viable? YES

Average (comparable/achievable) market unit rents in immediate area and the percent the proposed project rents are below these rents.

	Market Rents	% Project Rents Below	Reference page:
0 bedroom	N/A for Mini Study		
1 bedroom	N/A for Mini Study		
2 bedroom	N/A for Mini Study		
3 bedroom	N/A for Mini Study		
4 bedroom			
5 bedroom			

# of all New Units Needed: 2,159 Reference page: 6

# of units needed for the targeted AMI of the project: 2,159 Reference page: 6

Vacancy Rate: N/A Reference page:

Months to Lease-up: N/A Reference page:

Capture Rate: 4.4% Reference page: 6  
 (projected income eligible tenants who will move in next year/proposed units)

Absorption Rate: 58.0% Reference page: 7  
 (proposed units/existing LIH, market area units required)

Penetration Rate: 1.8% Reference page: 7  
 (existing LIH units/total eligible households)

Number of LI households that can afford rent of proposed project: 6,542 Reference page: 6

Distance (miles) to: (only fill this out at full market study)

	miles to grocery store (convenience store does not count)
	miles to medical services appropriate and available to all prospective tenants (e.g., hospital, doctor offices, etc.) and are one of the following:

☐ A Project is located within 1½ miles of the specified amenity or essential service.

☐ Public or contracted transportation (not including taxi or school bus service) is reasonably available to the specified amenity or service (i.e., the Project is located within ¼ mile of fixed bus stop or on a same day call basis) (or letter from provider committing to establish such service); or

☐ Where applicable, the specified amenity or service is available via a no-charge delivery service to the Project Location (all distances must be as specified in the Project's market study).



**Missoula City Council**

435 Ryman

Missoula, MT 59802

Phone: 406-552-6012

Web: [www.ci.missoula.mt.us/314/City-Council](http://www.ci.missoula.mt.us/314/City-Council)

Montana Department of Commerce  
P.O. Box 200528  
301 S. Park Avenue  
Helena, MT 59620-0528

Friday, April 11, 2025

Re: Support for Wildflower Apartments Rehabilitation Project in Missoula, MT

Dear Staff and Board Members,

As members of the Missoula City Council, we are writing to express our enthusiastic support for the rehabilitation and preservation of Wildflower Apartments, a 96-unit affordable housing development on Missoula's south side.

Housing remains one of the most urgent issues facing our City, and we regularly hear from residents who are struggling to find and keep housing they can afford. The Wildflower Apartments have long served low- and moderate-income households in our community, but without reinvestment, these homes are at risk of being lost to market-rate conversion. Preserving this site is essential to keeping families housed, maintaining the fabric of our neighborhoods, and preventing a deepening of our local housing crisis.

This rehabilitation project aligns directly with the goals in *A Place to Call Home*, Missoula's adopted housing strategy, and complements the City's strategic direction for housing affordability.

The proposed twinned 4%/9% Low-Income Housing Tax Credit structure allows for a creative, resource-leveraging approach to preserving 96 units—without the added delay and cost of new construction. As Councilmembers, we value public-private partnerships that demonstrate financial responsibility and long-term stewardship of housing assets. United Housing Partners, Bouchee Development, and the Missoula Housing Authority bring the capacity, experience, and local knowledge to see this project through successfully.

Losing these homes would be a significant setback for Missoula. In the face of rising rents, limited supply, and increased displacement risk, we must do all we can to protect our existing affordable housing. Wildflower Apartments is not just a project; it's a key part of our community's housing safety net.

We respectfully request your thoughtful consideration of the Wildflower Apartments application. Thank you for your continued support of affordable housing in Missoula.

Sincerely,

Missoula City Council

All Members in Support: Stacie Anderson, Mirtha Becerra, Bob Campbell, Daniel Carlino, Sierra Farmer, Gwen Jones, Kristen Jordan, Eric Melson, Mike Nugent, Jennifer Savage, Amber Sherrill, and Sandra Vasecka

cc: Tyson O'Connell, United Housing Partners; Mike Bouchee, Bouchee Development; Sam Oliver, Missoula Housing Authority



## OFFICE OF THE MAYOR

435 RYMAN MISSOULA, MONTANA 59802-4297 (406) 552-6001

April 10, 2025

Montana Department of Commerce  
P.O. Box 200528  
301 S. Park Avenue  
Helena, MT 59620-0528

Re: Support for Wildflower Apartments Rehabilitation Project in Missoula, MT

Dear Staff and Board Members:

As Mayor of the City of Missoula, I am writing to express my strong support for the rehabilitation and preservation of Wildflower Apartments. This 96-unit affordable housing community is critical to our City's efforts to maintain and expand housing opportunities for residents of all income levels.

Located in a walkable, transit-accessible neighborhood on Missoula's south side, Wildflower Apartments offers proximity to grocery stores, healthcare services, public parks, and local businesses. While the Missoula Housing Authority (MHA) currently owns and manages the property, its affordability restrictions have expired, and the buildings urgently need repairs and efficiency upgrades. Without investment through the Low-Income Housing Tax Credits, MHA will have to sell the property at market value—an outcome that would eliminate 96 essential affordable homes.

The proposed 4%/9% twinned LIHTC project, led by United Housing Partners, Bouchee Development, and MHA, is a cost-effective preservation strategy. This collaborative team brings deep experience and a proven commitment to affordable housing in Missoula. By preserving existing homes, this project leverages public resources to meet urgent housing needs more quickly and efficiently.

The need for housing supply is real and growing. Tenant incomes have not kept pace with rising rent costs. The amount of affordable rental units in Missoula has decreased since 2019, while expensive, market-rate units continue to hold an increasing share of the City's rental supply. Wildflower Developers LLC is aware of the importance of maintaining our current affordable housing stock to support the individuals and families most likely to be affected by our City's current housing climate. Undoubtedly, they will do an exemplary job with this preservation project.



April 10, 2025  
Page 2

Preserving affordable housing is a cornerstone of Missoula's adopted housing policy, *A Place to Call Home*, as well as the City's Strategic Plan. Rehabilitating and modernizing Wildflower keeps families in their homes and furthers our community's long-term goals around health, equitable growth, and livability.

On behalf of the City of Missoula, I respectfully urge your full consideration and support for this essential project. Thank you for your ongoing partnership and commitment to housing Montanans.

Sincerely,

A handwritten signature in dark ink, appearing to read "Andrea Davis". The signature is fluid and cursive, with the first name "Andrea" written in a larger, more prominent script than the last name "Davis".

Andrea Davis  
Mayor

cc: Tyson O'Connell, United Housing Partners; Mike Bouchee, Bouchee Development; Sam Oliver, Missoula Housing Authority



Montana Department of Commerce  
P.O. Box 200528  
301 S. Park Avenue  
Helena, MT 59620-0528

Wednesday, April 9, 2025

Re: Wildflower Apartments Rehabilitation Project Support, Missoula, MT

Dear Staff and Board Members,

I am writing to share strong support for the Wildflower Apartments Rehabilitation project from the City of Missoula's Community Planning, Development & Innovation Department.

This preservation project—rehabilitating 96 units for Missoula renters making 50-60% of the area median income—is essential to maintaining our rental supply. Currently, rental costs are rising far quicker than renters' incomes in Missoula. The market is mismatched, with a larger supply of units over \$1,500 and a decreasing number of units affordable to lower-income earners. With a median market-rate rent well above affordable rents for lower-income renters, maintaining income-restricted affordable housing stock is necessary for the health and livelihood of our residents. Losing the 96 units at the Wildflower Apartments would burden our already challenging housing market.

In 2019, the City of Missoula adopted a city-wide housing strategy, *A Place to Call Home*. This strategy directly addresses the landscape for tenants and the need to preserve existing affordable housing. The strategy further expresses the need to secure Low-Income Housing Tax Credit-funded projects in the Missoula area. The Wildflower project meets several strategy goals by leveraging innovative financing, supporting tenants, and preserving existing affordable units.

We are so grateful to Montana Housing and the Montana Board of Housing for their ongoing partnership and support of Missoula's efforts to create housing that people of all incomes are proud to call home.

In conclusion, the Wildflower Rehabilitation project will preserve essential housing units in the Missoula area for renters earning 50-60% AMI. As this project directly benefits Missoula residents, we are proud to support the efforts to maintain our affordable rental stock. We recognize the difficulty of allocating finite resources and respectfully request your thoughtful consideration of the Wildflower application and our community goals when deciding where to allocate 9% and 4% Low-Income Housing Tax Credits.

Sincerely,  
*Eran Pehan*  
Eran Pehan

Director, Community Planning, Development & Innovation, City of Missoula

cc: Tyson O'Connell, United Housing Partners; Mike Bouchee, Bouchee Development; Sam Oliver, Missoula Housing Authority



## Letter of Intent Narrative

April 14, 2025

Montana Board of Housing  
PO Box 200528  
Helena MT 59620-0528

RE: HC-LOI (Housing Credit - Letter of Intent)

Dear Board of Housing:

This letter with attachment meets the requirements of the Qualified Allocation Plan as it relates to submission of a "Letter of Intent" and if invited will be eligible to submit a full application.

The property being submitted is as follows:

Property Name:	Saddlehorn Apartments
City:	Miles City
County:	Custer
Developers:	CR Builders, LLC and Hearthstone Group.
Developer Contact Info:	Don Sterhan
Email & phone #:	dsterhan@cr-builders.com & 406-254-1677
General Partner Owner:	"CRB Saddlehorn, LLC"
Management Company:	Infinity Management and Investments, LLC
HC Consultant:	National Equity Fund, Inc.
Property Type (Family/Senior):	Family
Profit/Non-profit:	Non-Profit
Minimum Set-aside:	
20/50	<input type="checkbox"/>
40/60	<input checked="" type="checkbox"/>
Average Income	<input type="text"/>

### Property Description:

CR Builders, LLC ("CRB") is proud to present The Saddlehorn Apartments in Miles City for the Board's consideration of an allocation of Low Income Housing Tax Credits. CR Builders, LLC is a Montana company located in Billings, MT. Over the past 15 years, by forming partnerships with local non-profit organizations, CRB has worked to create quality, affordable housing for families and seniors across the Intermountain West region, primarily in Montana, Wyoming, and North Dakota. CRB utilizes multiple funding sources, including conventional debt and equity, private activity bonds, low-income housing tax credits (both 9% and 4%), HOME funds, National Housing Trust Fund (HTF) dollars, CDBG funds, as well as AHP grants from the Federal Home Loan Bank. To date CRB has produced 1,079 units across 25 projects, accounting for nearly \$250 million in total capital investment. Most gratifying for the CRB team is customer satisfaction: creating a high-quality product that residents enjoy.

CRB is pleased to be partnering with Hearthstone Group. in bringing this development to fruition. Led by Eric Peterson and a devoted Board of Directors, this 501(c)(3) organization is mission-driven to develop and foster affordable housing. Hearthstone Group pursues this mission through its extensive outreach to the developments in the following ways:



- Coordinating and administering programs and services for senior citizens
- Utilizing available public and private resources as well as applying for financial assistance made available by Federal, State, and Local Governments
- Maximizing use of volunteers, student and governmental work programs and other means to assure that administrative costs are minimized and programs/services are maximized

The Saddlehorn Apartments development will be located on land currently owned by John Peila in Miles City. The site is located at the corner of South Moorehead Avenue and Stower Street and offers tremendous accessibility to services and amenities in Miles City. As currently envisioned, the development will be a 2-story structure that will house 28 apartments in total; eight (8) one-bedroom apartments, twelve (12) two-bedroom apartments, and eight (8) three-bedroom apartments. Saddlehorn Apartments will provide much-needed affordable housing for the community of Miles City, which has not received an award of low income housing tax credits since 2006. Once completed, Saddlehorn will be managed by Infinity Management and Investments, LLC.

Anticipated Amenities and justification for need:

To create quality affordable housing, each of the 28 apartment residences at Saddlehorn will include a full kitchen with an oven and cook top, microwave, refrigerator, dishwasher, window blinds, carpeting, washer and dryers, outdoor patio, and heating and air conditioning. All appliances will be *Energy Star* rated. In addition to the previously mentioned in-unit amenities, the project will also include a community area, and a play area for children and families. The amenities package that will be offered at Saddlehorn will allow the project to compete well in the marketplace, while providing the residents with a comfortable living environment. Over and above the project's amenities, the project site is located in close proximity to many services, being adjacent to Miles City Community College and less than one mile from Holy Rosary Hospital, Walmart, Albertson's, banking services, restaurants, Custer County High School, Highland Park Elementary, and Wibaux Park.

Your consideration of this proposal is greatly appreciated. Should you have any questions or require additional information concerning the Saddlehorn Apartments project or CR Builders, LLC, please feel free to contact me directly at 406-254-1677. If you'd like to learn more about our organization and the work we are doing, please visit our website at <https://www.cr-builders.com>.

Sincerely,



Don Sterhan  
President & CEO  
CR Builders, LLC

Attachments:

- Letter of Intent Property Information Spreadsheet
- Mini Market Study

## MARKET STUDY SUMMARY

<b>Market Study Company:</b>	Prior & Associates
<b>Project Name:</b>	Saddlehorn Apartments
<b>Project Market Area:</b>	City of Miles City

Is the project, as proposed, viable?

Average (comparable/achievable) market unit rents in immediate area and the percent the proposed project rents are below these rents.

	Market Rents	% Project Rents Below	Reference page:
0 bedroom			
1 bedroom	N/A for Mini Study		
2 bedroom	N/A for Mini Study		
3 bedroom	N/A for Mini Study		
4 bedroom			
5 bedroom			

# of all New Units Needed:  Reference page:

# of units needed for the targeted AMI of the project:  Reference page:

Vacancy Rate:  Reference page:

Months to Lease-up:  Reference page:

Capture Rate:  Reference page:   
(projected income eligible tenants who will move in next year/proposed units)

Absorption Rate:  Reference page:   
(proposed units/existing LIH, market area units required)

Penetration Rate:  Reference page:   
(existing LIH units/total eligible households)

Number of LI households that can afford rent of proposed project:  Reference page:

Distance (miles) to: (only fill this out at full market study)

miles to grocery store (convenience store does not count)

miles to medical services appropriate and available to all prospective tenants (e.g., hospital, doctor offices, etc.) and are one of the following:

☐ A Project is located within 1½ miles of the specified amenity or essential service.

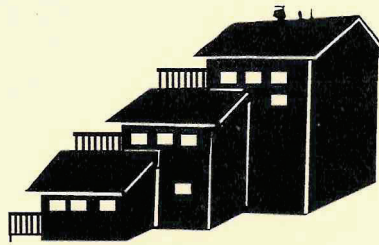
☐ Public or contracted transportation (not including taxi or school bus service) is reasonably available to the specified amenity or service (i.e., the Project is located within ¼ mile of fixed bus stop or on a same day call basis) (or letter from provider committing to establish such service); or

☐ Where applicable, the specified amenity or service is available via a no-charge delivery service to the Project Location (all distances must be as specified in the Project's market study).



**All other services and distance to each.**

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***Butte Affordable Housing, Inc.***

***220 Curtis Street***

***Butte, MT 59701***

***(406) 782-6461***

***Fax 406-782-6473***

**Letter of Intent Narrative**

April 14, 2025

Montana Board of Housing  
PO Box 200528  
Helena MT 59620-0528

RE: HC-LOI (Housing Credit - Letter of Intent)

Dear Board of Housing:

This letter with attachments meets the requirements of the Qualified Allocation Plan as it relates to the submission of a "Letter of Intent" and if invited will be eligible to submit a full application.

The property being submitted is as follows:

Property Name:	Copper Canyon Apartments
City:	Butte
County:	Silver Bow
Developers:	Butte Affordable Housing, Inc., & CR Builders, LLC
Developer Contact Info:	Revonda Stordahl
Email & phone #:	<a href="mailto:rstordahl@buttehousing.org">rstordahl@buttehousing.org</a> & 406-782-6461
General Partner Owner:	"Copper Canyon Apartments, LLLP"
Management Company:	Butte Affordable Housing, Inc.
HC Consultant:	CR Builders, LLC
Property Type (Family/Senior):	Multi-Family
Profit/Non-profit:	Non-profit
Minimum Set-aside:	
20/50	_____
40/60	<u>  X  </u>
Average Income	_____

Development Team:

Butte Affordable Housing, Inc. is a Montana 501(c)(3) nonprofit organization located in Butte, MT. Butte Affordable Housing, Inc. was organized in 2000 to develop and manage affordable housing. Butte Affordable Housing, Inc.'s mission is to acquire, construct, rehabilitate, furnish and/or manage safe, clean and affordable low-income housing. Butte Affordable Housing, Inc. is part of the general partnerships for 5 Low-Income Housing Tax Credit properties. BAH is the sole owner and manager of one of the tax credit properties. BAH prepares reports for all funding sources, including MBOH, the HOME program, and the Federal Home Loan Bank Affordable Housing Program. BAH is governed by a five-member

Board of Directors. The Executive Director for Butte Affordable Housing, Inc. is also the Executive Director of the Public Housing Authority of Butte.

CR Builders, LLC ("CRB") is a Montana company located in Billings, MT. Over the past 15 years, by forming partnerships with local non-profit organizations, CRB has worked to create quality, affordable housing for families and seniors across the Intermountain West region, primarily in Montana, Wyoming, and North Dakota. CRB utilizes multiple funding sources, including conventional debt and equity, private activity bonds, low-income housing tax credits (both 9% and 4%), HOME funds, National Housing Trust Fund (HTF) dollars, CDBG funds, as well as AHP grants from the Federal Home Loan Bank. To date CRB has produced 1,079 units across 25 projects, accounting for nearly \$250 million in total capital investment. Most gratifying for the CRB team is customer satisfaction: creating a high-quality product that residents enjoy.

#### Property Description

Copper Canyon Apartments will be located on south end of the local YMCA in Butte at the corner of Washoe Street and Hansen Road. The proposed apartments will allow residents in the Butte community to live in a comfortable apartment and in close proximity to many amenities and services. As currently envisioned, the development will be two buildings each being a 2-story structure. Building A will house eight (8) one-bedroom apartments and seven (7) three-bedroom apartments along with the management office. Building B will house sixteen (16) two-bedroom apartments.


Once completed, Copper Canyon Apartments will be managed by Butte Affordable Housing, Inc.

#### Anticipated Amenities and justification for need:

To create quality affordable housing, each of the 31 apartment residences at Copper Canyon Apartments will include a full kitchen with an oven and cook top, microwave, refrigerator, dishwasher, window blinds, luxury vinyl tiles, washer and dryers, outdoor patio, and heating and air conditioning. All appliances will be Energy Star rated. In addition to the previously mentioned in-unit amenities, the project will also include a community room and an outdoor play area. The amenities package that will be offered at Copper Canyon Apartments will allow the project to compete well in the marketplace, while providing the residents with a comfortable living environment. Over and above the project's amenities, the project site is in close proximity to many services and local amenities, and its location in Butte will allow residents to access downtown within 10 minutes. Additionally, the city bus stop at the YMCA will provide easy access to transportation for the residents. The site is also adjacent to newer, single-family and multi-family units and will fit nicely within the composition of the neighborhood.

Your consideration of this proposal is greatly appreciated. Should you have any questions or would like additional information concerning the Copper Canyon Apartments or Butte Affordable Housing, Inc., please feel free to contact me directly at 406-782-6461. If you'd like to learn more about our organization and the work we are doing, please visit our website at [www.buttehousing.org](http://www.buttehousing.org).

Sincerely,



Revonda Stordahl  
Executive Director

#### Attachments:

- Letter of Intent Property Information Spreadsheet
- Mini Market Study

## MARKET STUDY SUMMARY

<b>Market Study Company:</b>	Prior & Associates
<b>Project Name:</b>	Copper Canyon Apartments
<b>Project Market Area:</b>	Butte, MT

Is the project, as proposed, viable?

Average (comparable/achievable) market unit rents in immediate area and the percent the proposed project rents are below these rents.

	Market Rents	% Project Rents Below	Reference page:
0 bedroom			
1 bedroom	N/A		
2 bedroom	N/A		
3 bedroom	N/A		
4 bedroom			
5 bedroom			

# of all New Units Needed:  Reference page:

# of units needed for the targeted AMI of the project:  Reference page:

Vacancy Rate:  Reference page:

Months to Lease-up:  Reference page:

Capture Rate:  Reference page:   
(projected income eligible tenants who will move in next year/proposed units)

Absorption Rate:  Reference page:   
(proposed units/existing LIH, market area units required)

Penetration Rate:  Reference page:   
(existing LIH units/total eligible households)

Number of LI households that can afford rent of proposed project:  Reference page:

Distance (miles) to: (only fill this out at full market study)

<input type="text" value="N/A"/>	miles to grocery store (convenience store does not count)
<input type="text" value="N/A"/>	miles to medical services appropriate and available to all prospective tenants (e.g., hospital, doctor offices, etc.) and are one of the following:

☐ A Project is located within 1½ miles of the specified amenity or essential service.

☐ Public or contracted transportation (not including taxi or school bus service) is reasonably available to the specified amenity or service (i.e., the Project is located within ¼ mile of fixed bus stop or on a same day call basis) (or letter from provider committing to establish such service); or

☐ Where applicable, the specified amenity or service is available via a no-charge delivery service to the Project Location (all distances must be as specified in the Project's market study).

**All other services and distance to each.**

	Other Service	Distance (mi)
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## Letter of Intent Narrative

April 14, 2025

Montana Board of Housing  
PO Box 200528  
Helena, MT 59620-0528

RE: HC-LOI (Housing Credit – Letter of Intent)- Pintler Pines

Dear Board of Montana Housing:

This letter with attachments meets the requirements of the Qualified Allocation Plan as it relates to submission of a “Letter of Intent” and if invited will be eligible to submit a full application.

The project is being submitted is as follows:

Project Name:	Pintler Pines
City:	Anaconda
County:	Deer Lodge County
Developer:	The Housing Company, an Idaho nonprofit corporation
General Partner:	TBD
Property Management Company:	The Housing Company, an Idaho nonprofit corporation
Set-aside Small/Rural:	Rural
Set-aside Profit/Non-profit:	Non-profit
HC Requested:	\$8,500,000
Project Type:	Senior
Construction Type:	New
Minimum Set-aside:	40/60
Projected Construction Start:	May 2026
Projected Completion:	May 2027







### **Property Description:**

The Housing Company is pleased to partner with Anaconda-Deer Lodge County in order to help address the housing affordability crisis with the construction of 24 units. Upon receiving an invitation to full application, the County will work through the public process to donate a parcel of land and NSP funds to bring seniors (55+) in the Anaconda-Deer Lodge County community an accessible, affordable place to call home. The lack of affordable housing is a crisis both state and nationwide, particularly in the case of our seniors.

The proposed site is currently a County owned 2.7-acre lot in Anaconda. In place of the closed Dwyer School, Pintler Pines will be constructed consisting of 24 affordable units serving residents 55+ in the 50% and 60% AMI range. The County has not received a 9% award since 2004. There are currently very few affordable housing options in Anaconda.

The project site is located in a desirable neighborhood within proximity to all goods and services, including medical and dental offices, banks, a senior center, retail shopping, and restaurants. The grocery store, Stokes, adjacent to the site includes a pharmacy. The site borders a city park. The addition of new housing dedicated to the seniors will allow the senior population to remain in their community and live independently. The project site is currently zoned public/semi-public development district and will require a rezone to High Density Residential that the County will execute. The design of Pintler Pines will blend into the surrounding neighborhood seamlessly. With the County support and the property tax revenue Pintler Pines will generate, we do not anticipate any issues with the approval of a rezone.

### **Anticipated Amenities:**

Pintler Pines features spacious 18 one-bedroom and six two-bedroom apartment homes with covered front and back patios. There will be three - one story residential buildings and one community building with ample parking. Each unit will have direct entry with several site amenities such as open green space, a community garden, and a covered community patio area. The community building is designed with generous space for a library and activities such as social events, crafting, games, and puzzles. Each unit will feature all kitchen appliances and laundry equipment. There will be onsite property management. The site layout promotes both independent living and a strong sense of community through the interactive features of the library and community garden. The project will meet all of the green standard requirements.

### **Justification for need:**

In Anaconda, between 2010 and 2020, the population 55 and over increased by 21.4%. In contrast, the total overall population increased by 4.3%. In Deer Lodge County, the 55+ age group increased 468 households. As evidenced by the mini-market study, the growth in both population and households is significantly higher for the senior demographic. This is true for both the urban area of Anaconda and Deer Lodge County.

The Housing Company, a non-profit 501(c)(3) organization, formed in 1990 with the mission to address the affordable housing shortage in under-served areas. Since inception, The Housing Company has developed 1,341 units in 24 communities throughout Idaho and Montana. The development team intends to commit staff and resources to this project from inception through completion and maintain ownership and affordability indefinitely. The Housing Company and Anaconda-Deer Lodge County look forward to collaborating to bring Pintler Pines to fruition. We ask that the board consider supporting this much-needed project in a County that has not received a 9% award in twenty years.

Sincerely,

Tiffany Hapney  
The Housing Company-Development Manager

Bill Everett  
Anaconda Deer Lodge County- Chief Executive Officer

## MARKET STUDY SUMMARY

<b>Market Study Company:</b>	Danter & Associates
<b>Project Name:</b>	Pintler Pines
<b>Project Market Area:</b>	Anaconda, MT

Is the project, as proposed, viable?

Average (comparable/achievable) market unit rents in immediate area and the percent the proposed project rents are below these rents.

	Market Rents	% Project Rents Below	
0 bedroom			
1 bedroom	N/A for Mini Study	N/A for Mini Study	
2 bedroom	N/A for Mini Study	N/A for Mini Study	
3 bedroom			
4 bedroom			Reference page:
5 bedroom			<input type="text" value="N/A"/>

# of all New Units Needed:  Reference page:

# of units needed for the targeted AMI of the project:  Reference page:

Vacancy Rate:  Reference page:

Months to Lease-up:  Reference page:

Capture Rate:  Reference page:   
(projected income eligible tenants who will move in next year/proposed units)

Absorption Rate:  Reference page:   
(proposed units/existing LIH, market area units required)

Penetration Rate:  Reference page:   
(existing LIH units/total eligible households)

Number of LI households that can afford rent of proposed project:  Reference page:

Distance (miles) to: (only fill this out at full market study)

miles to grocery store (convenience store does not count)  
 miles to medical services appropriate and available to all prospective tenants (e.g., hospital, doctor offices, etc.) and are one of the following:

☐ ☐ ☐ A Project is located within 1½ miles of the specified amenity or essential service.

☐ ☐ ☐ Public or contracted transportation (not including taxi or school bus service) is reasonably available to the specified amenity or service (i.e., the Project is located within ¼ mile of fixed bus stop or on a same day call basis) (or letter from provider committing to establish such service); or

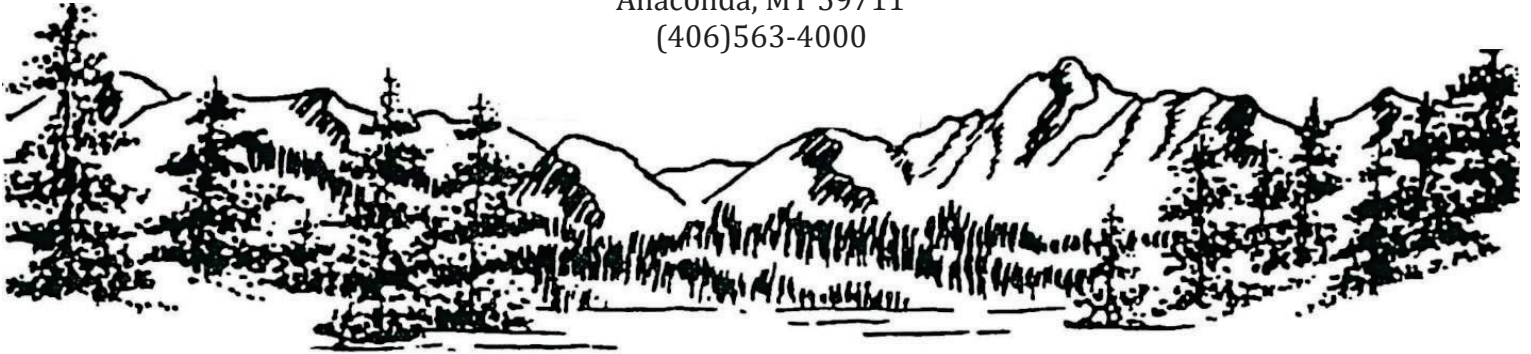
☐ ☐ ☐ Where applicable, the specified amenity or service is available via a no-charge delivery service to the Project Location (all distances must be as specified in the Project's market study).

**All other services and distance to each.**

	Other Service	Distance (mi)
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**Anaconda-Deer Lodge County**

Courthouse  
800 Main Street  
Anaconda, MT 59711  
(406)563-4000



April 4, 2025

Montana Board of Housing  
P.O. Box 200528  
Helena, MT 597620

RE: Housing Credit for Pintler Pines Senior Housing in Anaconda, MT

Dear Board Members and Staff:

Please consider this letter of support for the Pintler Pines senior housing project in Anaconda, Montana. ADLC is pleased to partner with The Housing Company for the Pintler Pines project to address affordable senior housing in our community.

Anaconda's outlook has greatly improved in recent years. New businesses are moving in revitalizing downtown and populating formerly vacant county land at the eastern entrance to town. After decades of a depressed economy following the 1980 closing of the Anaconda Smelter, the Smelter City is seeing new residents move to the area. With this new growth, housing, generally, and affordable housing, particularly, is at the forefront of concern. A 2024 Public Health Department Community Health Assessment<sup>1</sup> states that ADLC has experienced a rate of growth of 2.6% since 2020 with 24.9% of its population 65 years and older. The CHA found that the lack of adequate/affordable housing is a top three concern with 1 in 5 households having a severe housing problem.

Anaconda is in great need of senior housing. As an area with an older population, low housing stock, and limited options for those looking to downsize, the Pintler Pines Housing project as proposed with The Housing Company will address these challenges within our community. Using county land, existing NSP funds, and the assistance of The Housing Company, the Pintler Pines housing development will positively impact Anaconda's citizens with 24 affordable units for those in greatest need (very low- and low-income).

Thank you for your consideration of this phenomenon proposal for Anaconda residents.

Sincerely,

Bill T. Everett  
Chief Executive Officer, Anaconda-Deer Lodge County

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<sup>1</sup> <https://www.adlc.us/DocumentCenter/View/4706/-A-DLC-Community-Health-Assessment-2024>



April 14, 2025

Montana Board of Housing  
PO Box 200528  
Helena, MT 59620-0528

RE: Housing Credit – Letter of Intent

Dear Board of Housing,

On behalf of Mach, LLC, we respectfully submit this Letter of Intent in accordance with the requirements outlined in the 2026 Qualified Allocation Plan (QAP). If invited, Mach LLC intends to submit a full application for 9% Low Income Housing Tax Credits for Outpost at Kalispell.

Property Description – Outpost at Kalispell is a proposed 24-unit family apartment community to be located in Kalispell, Flathead County, Montana. The development will consist of a single residential building utilizing the following construction materials: vinyl siding, vinyl framed windows, exterior breezeways, and balconies/patios for all units. LED lighting, Native landscaping and drip-line irrigation are planned to enhance environmental sustainability.

The project will elect the 40-60 minimum set-aside and will serve incomes at or below 60% and 50% of Area Median Income (AMI), with a weighted average of 53%. The unit mix is as follows:

Unit Type	Units	AMI Target
1-Bedroom	9	50%
1-Bedroom	3	60%
2-Bedroom	8	50%
2-Bedroom	4	60%
Total	24	

As a family-oriented project, Outpost at Kalispell will designate at least 10% of its units for veterans, victims of domestic violence, or youth aging out of foster care.

In-Unit Amenities – Each unit will be outfitted with air conditioning, storage space, ceiling fans, dishwashers, microwaves, in-unit washers and dryers, and balconies/patios. Kitchen appliances will be all-electric. Storage will include a pantry, walk-in closets, and wood shaker cabinets. Design features include LVP flooring, laminate countertops, wire shelving, and carpeted bedroom floors.

Community Amenities – Residents will be able to have pets in their apartments and enjoy the planned dog run amenity. The development will provide an outdoor play area and outdoor





barbecue/fire pit area for socialization and recreation. Residents will also have access to a covered mail area and bike racks.

Green & Energy Standards – Outpost at Kalispell will incorporate energy efficient building practices by providing EnergyStar-rated appliances, low U-value windows, and LED lighting, as well as native landscaping as part of its goal to reduce water use at the property. The project will attain an Energy Star Certification per the Energy Star Homes Program Revision and Implementation Timeline.

Locational Amenities– Outpost at Kalispell is located within 1.5 miles of a grocery store and a medical facility. The development is within walking distance (0.5 miles) of an Albertsons grocery store. The office of Jules Marsh MD, a general practitioner, is located 1.1 miles from the development. Bluebird Health, a medical clinic, is within 1.4 miles of the Outpost at Kalispell.

Justification for Need– According to the 2025-2029 Montana Consolidated Plan, Montana had a housing shortage of over 22,000 units from 2017 to 2022 (pg. 61). Housing rental vacancy rates are also at a low of 4.8%. The Plan shows that housing affordability in Montana has been decreasing since 2017. In 2020, 28.3% of Montana households faced housing cost burden. Households with extremely and very low incomes are disproportionately affected by housing problems. Outpost at Kalispell will contribute needed housing units for low- and very low-income Montanans. Specifically In Flathead County there is a large need for more housing. A recent housing study by the University of Montana highlights the significant housing shortfall in the area – over 3,000 units currently, potentially rising to nearly 14,000 by 2032 if construction doesn't keep pace.

Local Involvement– Outpost at Kalispell is in Qualified Census Tract 30029000901 and within Kalispell's Westside Tax Increment Financing (TIF) district. The City of Kalispell has prioritized revitalization and improvement in the area. The Westside TIF district plan outlines revitalization as a goal and an increase in housing as one of the key criteria that proposed projects in the district must achieve. The project has received strong support from key stakeholders in the community – see attached letters from the City, Collaborative Housing Solutions of Northwest Montana and Community Action Partnership of Northwest Montana.

Please also find attached the following required attachments:

- Letter of Intent Property Information Spreadsheet
- Mini Market Study

If you have any questions, please contact Grant Schnell at 406-314-9936 or [grant@machcpt.com](mailto:grant@machcpt.com), or Troy Hart, our development finance consultant, at 801-641-6400 or [troy@praxisreno.com](mailto:troy@praxisreno.com). Thank you for your consideration.

Sincerely,

Authentisign  


Grant Schnell  
Development Lead  
Mach LLC



## MARKET STUDY SUMMARY

<b>Market Study Company:</b>	Novogradac Consulting
<b>Project Name:</b>	Outpost at Kalispell
<b>Project Market Area:</b>	Kalispell, Montana

Is the project, as proposed, viable?

Average (comparable/achievable) market unit rents in immediate area and the percent the proposed project rents are below these rents.

	Market Rents	% Project Rents Below	Reference page:
0 bedroom			
1 bedroom	\$ 1,453	68.5%	
2 bedroom	\$ 1,531	78.0%	
3 bedroom			
4 bedroom			
5 bedroom			9

# of all New Units Needed:  Reference page:

# of units needed for the targeted AMI of the project:  Reference page:

Vacancy Rate:  Reference page:

Months to Lease-up:  Reference page:

Capture Rate:  Reference page:   
(projected income eligible tenants who will move in next year/proposed units)

Absorption Rate:  Reference page:   
(proposed units/existing LIH, market area units required)

Penetration Rate:  Reference page:   
(existing LIH units/total eligible households)

Number of LI households that can afford rent of proposed project:  Reference page:

Distance (miles) to: (only fill this out at full market study)

miles to grocery store (convenience store does not count)  
 miles to medical services appropriate and available to all prospective tenants (e.g., hospital, doctor offices, etc.) and are one of the following:

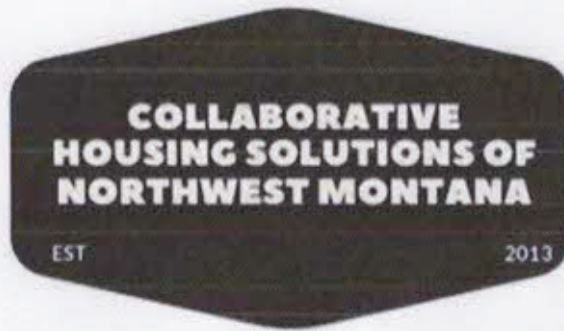
☐ ☐ ☐ A Project is located within 1½ miles of the specified amenity or essential service.

☐ ☐ ☐ Public or contracted transportation (not including taxi or school bus service) is reasonably available to the specified amenity or service (i.e., the Project is located within ¼ mile of fixed bus stop or on a same day call basis) (or letter from provider committing to establish such service); or

☐ ☐ ☐ Where applicable, the specified amenity or service is available via a no-charge delivery service to the Project Location (all distances must be as specified in the Project's market study).

**All other services and distance to each.**

	Other Service	Distance (mi)
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April 10, 2025

Montana Department of Commerce  
301 S. Park Avenue  
Helena, MT 59620

To whom it may concern,

Collaborative Housing Solutions (CHS) of Northwest Montana, the local Continuum of Care for housing insecurity and homelessness, is sending this letter in support of the 24-unit affordable housing project located at 40 Appleway Drive in Kalispell. While the entire nation is experiencing a similar trend with a shortage of appropriate, affordable housing in Flathead County is exceptional in this regard. As one of the fastest growing areas with one of the largest increases in average housing costs in the nation, Flathead County is in dire need of new, affordable housing. Without targeted development focusing on bringing new, affordable housing to this community, we will continue to see our first responders, teachers, grocery store clerks, seniors and/or persons with disabling conditions living on a fixed income and many more struggle with housing insecurity and homelessness. The CHS's 10-Year Plan to Address Homelessness and Housing Insecurity developed in 2024 supports the development of housing specifically at an affordable price point, as evidence and data show that without development at all price points, the bottom-half of the market will actually become less affordable.

This project will directly address a growing need for affordable housing, allowing for our neighbors to stay in their home community. Please consider this project when allocating future tax credits.

Best,

Sean Patrick O'Neill  
Executive Committee  
Collaborative Housing Solutions of NW Montana  
(406)885-3042

**Development Services**

201 1<sup>st</sup> Avenue East  
Kalispell, MT 59901  
Phone: (406) 758-7940  
Fax: (406) 758-7739  
[www.kalispell.com](http://www.kalispell.com)

Montana Department of Commerce  
301 S. Park Avenue  
Helena, MT 59620

To whom it may concern,

This letter is sent in support of the 24-unit affordable housing project located at 40 Appleway. Our community is experiencing a significant shortage of housing that is attainable for working families, and local businesses are increasingly challenged in recruiting and retaining employees due to the lack of affordable options. The City of Kalispell's Growth Policy Plan – It 2035 supports development of housing for all incomes, including affordable to meet the demands of the community.

This project directly addresses a critical need and will play an essential role in supporting Kalispell's continued economic vitality and quality of life. Additionally, the location of this development will enhance a key urban renewal area, contributing to the broader growth and vibrancy of Kalispell.

Sincerely,

Jarod Nygren  
City of Kalispell Development Services Director





## *45+ Years Proudly Serving Flathead, Lincoln, Lake and Sanders Counties.*

Main Office Location  
1820 US 93 S  
Kalispell, MT 59901

Main Mailing Address  
PO Box 88  
Kalispell, MT 59903  
Phone: 406-752-6565  
Fax: 406-205-7971

Lincoln County Office  
933 Farm to Market Rd.  
Suite B  
Libby, MT 59923  
Phone: 406-293-2712  
Fax: 406-299-9072

info@capnwmmt.org

www.capnm.net



HRDC District 10

April 14, 2025

Dear Montana Board of Housing,

Community Action Partnership of Northwest Montana (CAPNM) applauds all efforts to bring affordable housing to this area and is in full support of the proposed development at 40 Apple Way in Kalispell. The developers have intentionally crafted a 24-unit structure to meet local needs with a mix of one- and two-bedroom units. CAPNM is committed to providing referral services for this project.

CAPNM has provided critical social services for income qualifying households in the Kalispell area since 1976. Services are provided in accordance with financial eligibility; all CAPNM services are targeted towards households verified to be at or below 150% of the Federal Poverty Level. Supportive services include utility assistance, budgeting, emergency rental assistance, employment and training, as well as Section 8/ HUD VASH/ Emergency Housing Voucher programs. CAPNM agrees to inform those receiving services at CAPNM of the housing project in a timely manner and to provide information regarding how to apply to said project. Additionally, CAPNM will provide communication regarding educational opportunities or programming to the project management team in order to promote activities that may benefit tenants.

There is a desperate community needs for this type of housing opportunity in the Flathead.

Thank you for your consideration.

Director of Project Development  
Community Action Partnership  
ckipp@capnwmmt.org



learningtree@capnwmmt.org

## Letter of Intent Narrative

Date: 4/11/25

Montana Board of Housing  
PO Box 200528  
Helena MT 59620-0528

RE: HC-LOI (Housing Credit - Letter of Intent), Towers 9%

Dear Montana Board of Housing and Montana Housing Staff:

This letter with attachment meets the requirements of the Qualified Allocation Plan as it relates to submission of a "Letter of Intent" and if invited, the project will be eligible to submit a full application.

The property being submitted is as follows:

Property Name:	Towers 9%
City:	Billings
County:	Yellowstone
Developer:	Homeword, Inc.
Developer Contact Info:	Heather McMilin
-email & phone #:	<a href="mailto:heather@homeword.org">heather@homeword.org</a> , 406.532.4663, ext. 36
General Partner Owner:	HW-Towers 9% LLC/Homeword, Inc.
Management Company:	Tamarack Property Management Company
HC Consultant:	N/A
Property Type (Family/Senior):	Senior
Profit/Non-profit:	Non-profit
Minimum Set-aside:	
20/50	_____
40/60	<u>  X  </u> _____
Average Income	_____

### Property Description:

Towers 9% is 9% LIHTC component of a proposed "twinning" 4%/9% project to address critical capital needs on both Fraser and Sage Towers. Fraser Tower is a six-story building that includes 64 homes that houses seniors. Sage Tower is a ten-story building that includes 81 homes that also houses seniors. Both projects are located in Billings, Montana and were built with similar construction, brick masonry high rises. Sage was built in 1974, and not long after, Fraser was completed in 1979. Both buildings were rehabilitated with housing tax credits, Fraser in 2006 and Sage in 2009. While key market updates were completed at that time, there were larger, critical capital needs that were not addressed. In 2019, the two projects came on the market, and Homeword pursued the preservation of these critical senior homes in Billings, Montana. While their affordable deed restrictions weren't set to expire as quickly as Creekside's (Homeword's 2017 preservation acquisition that is currently undergoing rehabilitation in Missoula, MT) was, there was still the potential for market buyers that could have intended to wait out the deed restrictions and take the properties to market, which would have been a significant loss for Billings seniors with lower incomes. The risk to these homes was high, and would have included the loss of valuable partial project-based voucher contracts.



To acquire the properties, Homeword worked with some of our Creekside partners and the City of Billings to successfully utilize a 501c3 conduit bond and EQ2 loans to preserve Fraser Tower. Sage Tower was preserved with similar EQ2 loans combined with preserving a favorable HUD insured mortgage. Lessons previously learned with Creekside and its partners smoothed the way for Homeword to acquire and preserve both of these projects. After acquiring the properties, Homeword also secured project-based vouchers for the homes that were not previously included in the rental assistance contract.

At the time of acquisition, Homeword understood both Sage and Fraser Towers would need significant rehabilitation within 5 to 7 years. (17 to 20 years after the previous moderate rehabilitation). Over the past five years, Homeword's Asset Management Team has worked diligently with Tamarack Property Management Company to repair and replace what was possible through operational income, and it is now time for a more substantial rehabilitation to ensure quality homes for residents and long-term sustainable operations for the project, beyond the available resources of net operating income.

This 9% application includes forty-four homes, the top four floors of Fraser Tower. There will be a condominium association that will include the 9% and 4% projects as separate condominiums, using what we have learned on our Creekside project, and have previously learned at Starner Gardens, Crowley Flats, Solstice and Equinox, that also use a condominium structure to separate tax credit programs. Homeword is confident that we can navigate these complexities with ease to ensure Sage and Fraser Towers' long term sustainable operations and affordability.

**Anticipated Amenities and justification for need:**

All project amenities included at Fraser and Sage Towers were included as part of the project's original development. No new amenities are proposed. Existing amenities at Sage Tower include a community kitchen, dining hall, library, computer room, family room, gathering lounge and a service coordinator office. Some resident services are provided at Sage Tower. Fraser Tower is a smaller building but still includes a laundry room and a recreation room with a kitchenette. All amenities will remain the same and cost no additional resources to maintain.

If you have any questions, please contact me at:

Sincerely,

A handwritten signature in blue ink, appearing to read 'H. McMilin', with a stylized flourish at the end.

Heather McMilin  
Homeword Project Development Director

**Required Attachments:**

Letter of Intent Property Information Spreadsheet  
Mini Market Study

## MARKET STUDY SUMMARY

<b>Market Study Company:</b>	Kinetic Valuation Group
<b>Project Name:</b>	Fraser Tower and Sage Tower
<b>Project Market Area:</b>	Billings, Montana , Yellowstone County

Is the project, as proposed, viable?

Average (comparable/acheivable) market unit rents in immediate area and the percent the proposed project rents are below these rents.

	Market Rents	% Project Rents Below	
0 bedroom	NA*	*Not req'd in mini-mkt	
1 bedroom			
2 bedroom			
3 bedroom			
4 bedroom			Reference page: <input type="text"/>
5 bedroom			

# of all New Units Needed:  Reference page:

# of units needed for the targeted AMI of the project:  Reference page:

Vacancy Rate:  Reference page:

Months to Lease-up:  Reference page:

Capture Rate:  Reference page:   
(projected income eligible tenants who will move in next year/proposed units)

Absorption Rate:  Reference page:   
(proposed units/existing LIH, market area units required)

Penetration Rate:  Reference page:   
(existing LIH units/total eligible households)

Number of LI households that can afford rent of proposed project:  Reference page:

Distance (miles) to: (only fill this out at full market study)

<input type="text" value="NA*"/>	miles to grocery store (convenience store does not count)
<input type="text" value="NA*"/>	miles to medical services appropriate and available to all prospective tenants (e.g., hospital, doctor offices, etc.) and are one of the following:

☐ ☒ A Project is located within 1½ miles of the specified amenity or essential service.

☐ ☒ Public or contracted transportation (not including taxi or school bus service) is reasonably available to the specified amenity or service (i.e., the Project is located within ¼ mile of fixed bus stop or on a same day call basis) (or letter from provider committing to establish such service); or

☐ ☐ Where applicable, the specified amenity or service is available via a no-charge delivery service to the Project Location (all distances must be as specified in the Project's market study).

**All other services and distance to each.**

	Other Service	Distance (mi)
1	Riverstone Health Clinic & Pharmacy	<1.0
2	Park - South Park	<1.0
3	Billings Hospital	2
4	Grocery Store - Albertsons	<0.3
5	Park - South Park	<0.4
6	Conoco Gas Station	1
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# Board Agenda Item

Board Meeting: May 13, 2025

## Multifamily Program

### Credit Refresh for ANHA 2 on Crow Agency

#### Background

ANHA 2, located on Crow Agency, is a 9% Housing Credit project awarded \$6,435,000 in 2023 Housing Credits. The project developer is the Apsaalooke Nation Housing Authority. The unit count is reducing from 23 units to 20 units.

ANHA 2 is requesting a credit refresh that would push their placed in-service date out two years. If approved, the credit refresh would effectively make the 2023 Housing Credits into 2025 Housing Credits. The placed in-service deadline would be extended to the end of 2027.

#### Staff Recommendation

Staff supports the proposal noted above.

#### Motion Option(s):

1. Move to approve the credit refresh from 2023 Housing Credits to 2025 Housing Credits, based on the developers meeting the new implementation schedule. If

contracts are not executed and rehab has not started by the end of 2025, staff will not issue carryforward.

2. No motion, proposal fails.



P.O. Box 99 \* #245 Weaver \* Crow Agency, MT 59022  
Ph: (406) 638-7145 \* Fax: (406) 638-2668

April 10, 2025

Montana Department of Commerce  
301 S. Park Ave.  
P.O. Box 200528  
Helena, MT 59620-0528

RE: ANHA LIHTC #2

Dear Jason:

We are requesting your assistance in navigating through the obstacles that the ANHA LIHTC #2 project is currently facing. The project is currently at a halt largely due to the excessive costs and limited financial capital available to ANHA to fully fund the current anticipated funding gap. Below is a historical background for the project up to this point noting the challenges currently faced and the steps that we have taken to move this project forward.

In the LIHTC application submitted on August 1, 2022, the project consisted of the gut rehabilitation of 21 single-family units and one duplex for a total of 23 low-income units. There were 2 two-bedroom units, 17 three-bedroom units, and 4 four-bedroom units.

The original application concept and budget were based on estimated costs for the previous ANHA #1 LIHTC project which was in the process of closing with the investor at the time. The expected total project costs were \$6,955,297 with a construction cost per unit around \$211,000. For the sources of funds, we anticipated the LIHTC to be priced at \$.838 cents and result in approximately \$5,388,774 in equity. We also anticipated leveraging Affordable Housing Program (AHP) funds of around \$750,000. The remaining gap of \$816,523 was to be funded by ANHA.

The ANHA #2 project received an LIHTC award in February 2023. In May 2023, RJTCF was selected as the investor. Because the LIHTC market drastically changed at that time, pricing had dropped to \$.80 cents which reduced the LIHTC equity by \$241,289. The project was slowly working towards closing with the investor at the beginning because the realities of constructing the ANHA #1 project during COVID proved to be problematic and it made sense to wait until ANHA #1 was closer to completion. Another issue for the ANHA #1 project was that because there was a lack of contractors and the COVID pandemic was still in full swing, the general partner ended up in the general contractor role (with essentially no contractor fees) and subcontracting the trades. Additionally, costs continued to increase. This was necessary at the time, but caused coordination issues as well as timing issues, and funding issues, which further delayed the completion of the ANHA #1 project and resulted in postponing the bid periods for ANHA #2.

The due diligence (except for the final ALTA survey) and legal documents were essentially complete by February 2024 and the project was ready to close pending construction bids. The first contractor bids were requested at the end of February 2024. After several extensions to the bid period due to questions from the bidders, a lack of responsive and qualified bidders, and multiple partial bids (smaller contractors wanting to only do some of the work) were received through August 2024. There were two responsive bids for the entire project and several bids from smaller groups that only



wanted to complete portions of the project instead of the entire scope. We were able to create an updated budget for the project which resulted in an updated construction cost of just over \$7.2 million (~\$316,000 per unit) and total project cost of ~\$9,372,000 with a cost per unit more than \$400,000 per unit. This pushed the funding gap that ANHA would cover up to ~\$2.5 million.

A funding gap of ~\$2.5 million was beyond the capacity of ANHA and resulted in petitioning MBOH to allow a unit reduction to the concept for the project in August of 2024. This would have reduced the scope of the project down to 15-17 total units to combat the above-mentioned funding gap. At the time of our request, MBOH was aiming to present the reduced units to the Board in the October 2024 meeting. However, staff were taken aback by the excessive costs, and we were concerned that the reduction may not have been ultimately approved by the Board, so we decided to postpone our request and put the project out to bid one more time. This time, the development team wanted to be proactive to not only advertise the bid opportunity, but to individually contact local, state, regional, and national contractors to request their participation. In fact, we requested a list of affordable housing contractors that had worked on LIHTC projects over the past couple of years from MBOH and received a list of 19 contractors.

The new bid period was from the beginning of January until February 21, 2025. This gave six weeks for the prospective bidders to provide their responses. In addition to advertising the bid and reaching out to all 19 of the contractors provided by MBOH, we also reached out to three national builders that have worked on other LIHTC tribal projects. When the bid period expired, only two bids were received. One was from a local group and was only a partial bid by a contractor that does not have the financial capacity to complete the work. The second was from one of the national contractors, but at a price of almost \$9 million in construction costs.

After the disappointing bid results, we decided to go back to each responsive contractor from the two bid periods and have a phone call to discuss the costs, scope of work, and determine if there were any costs that could be removed from the bids. Only two bidders were willing to participate. BearStar from the first bid period and Efficiency Builders from the second bid period. BearStar's original bid for the 23 houses was \$6,584,262 (not including contingencies) and the updated bid submitted on March 20, 2025, was \$6,000,599 (not including contingencies). Efficiency Builders original bid was \$8,763,786 and the updated bid was \$5,358,994 (not including contingencies).

Additionally, the time taken to focus on the construction costs is also impacting the equity amount because pricing has been consistently decreasing in the LIHTC market over the past 18 months. The current equity pricing is now 75 cents which results in total investor equity of \$4,825,770, a \$563,004 drop from the original application amount.

The current expenses in this project as of the 10% test date of August 2024 were \$465,339 (not including accrued developer fee and the acquisition of the units). Since that time, there have been additional expenses incurred for legal fees, outside consultant fees, and architectural fees. It would not make sense to return the credits and reapply in a future year for many reasons:

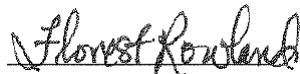
- The money and time spent to date would be lost
- There is a lack of contractor interest in this project and that will not likely change, therefore the results will be the same
- The houses are in desperate need of rehabilitation (which is why the project was awarded LIHTC's in the first place)

We understand that affordable housing should be affordable to build, but that is just not the case with this project or projects on tribal land in general, especially in the post COVID economy. Our LIHTC

consultant just recently closed on a tribal project in North Dakota that had a TDC of nearly \$600,000 per unit and a project in Nevada that is over \$600,000 per unit. While it seems unreal that the costs can be that high, it is the reality for tribal projects. In fact, the HUD Office of Native American Programs publishes TDCs for the tribal areas and the Crow Tribe TDCs are listed as \$408,172 for a 2BR; \$461,169 for a 3BR; and \$499,873 for a 4BR. These amounts can be increased if there are requirements imposed by the financing source (such as developer fees, LIHTC fees, market studies), that are not typical for tribal housing.

With all the above information, we are asking to work with you to petition the Board for some relief. We would like to be added to the May 2025 agenda and request a credit refresh and a reduction in units from 23 to 20. The reduction of three units will still result in a significant positive impact on the community. This will reduce the ANHA loan to a more manageable level. As you know, projects located on tribal trust land are unable to secure bank loans and the NAHASDA rent structure only allows 30% of household income to be charged for rent. The tenants living in the units have very low incomes and the project will be heavily subsidized by the ANHA. Both factors cause additional struggles to find outside sources to fill the gap. If the Board approves the credit refresh and the reduction in units, we anticipate closing with the investor within 45 days. We appreciate your review and support.

Sincerely,

A handwritten signature in dark ink, appearing to read "Florest Rowland". The signature is fluid and cursive, with the first name "Florest" being more prominent than the last name "Rowland".

Florest Rowland  
Executive Director  
Apsaalooke Nation Housing Authority

**Project Name: ANHA LIHTC #2**  
**IMPLEMENTATION SCHEDULE**

		<b>Anticipated Completion</b> ( month / year )	<b>Date Completed</b> ( month / year )
<b>Financing</b>			
Construction Loan Commitment			Jul-22
Construction Loan Closing		Jul-25	
Low Income Housing Tax Credits			
Application			Aug-22
Award			Dec-22
Reservation Agreement			Feb-23
Carryover			Dec-23
10% Cost Certification	1 year after	Dec-24	
8609 Submission		Jan-26	
Grant Commitments (list grants separately)			
1. Affordable Housing Program			Dec-23
2.			
3.			
Contract Execution for HOME/CDBG Funding		N/A	
Closing (bonds, lender, investor etc.)		Jul-25	
Ground Breaking		Jul-25	
Permanent Loan Commitment			Jul-22
Permanent Loan Closing		Jul-25	
Other			
Other			
<b>Project Start-up *</b>			
Site Acquisition			Jul-22
Zoning			Jul-22
Infrastructure Available			Yes
Environmental Review			Aug-23
Advertise Architect / Engineer			Jun-23
Design Completion			Dec-23
Advertise for Construction Bids		Jan-25	
Construction Bid Award		Jun-25	
Building Permits		N/A	
Marketing			
Other			
Other			
<b>Project Activities *</b>			
Pre-Construction Conference		Feb-25	
Issue Notice to Proceed		Feb-25	
Begin Construction		Jul-25	
Complete Construction		Oct-26	
Final Inspection/Issue Certificate of Occupancy		Oct-26	
Audit		Dec-25	
Marketing		Jul-25	
Prequalification Activities		Jul-25	
Homebuyer Workshops			
Rehabilitation		Jul-25	
Begin Temp Relocation		Jul-25	
Household Qualification		Jul-25	
Closeout		Mar-27	
Grand Opening		Oct-26	
Other			
Other			

\* Verify with funding sources when a Project Start-up or Activity may begin.  
Programs may have restrictions or requirements that need to be met first.

Multifamily Program Dashboard

May 13, 2025

Coal Trust Multifamily Homes Program, Multifamily Loan Program and Housing Montana

Fund Loan Programs

Available After Commitments

CTMH	\$203,751	From \$65M Authorized (including loan P&I payments)
MFLP	\$631,764	
HMF - AHRLF	\$348,737	

Projects Underway					
Amount	Program/Project	City/Units	Year Awarded	Recipient	Est. Completion
7,500,000	4%Centennial Village	Great Falls	2025	Vitus Development LLC	TBD
12,000,000	4%Aspen Village	Great Falls	2025	Vitus Development LLC	TBD
42,000,000	4%Montana 6	Scattered	2025	NWMT Affordable Housing	TBD
2,200,000	MF/Rocky Mountain Flats	Bozeman	2025	Blueline Development, Inc	TBD
4,702,040	9%/CT/HMF/MF/Skyview	Billings	2025	GL Development	Feb-27
6,500,000	9%/4%LB Lofts	Billings/Laurel	2025	Homeword/HomeFront	Sep-26
6,500,000	9%Opportunity Place	Missoula	2025	42-44 Developers	May-26
6,500,000	9%/4%/MF/Hidden Creek	Bozeman	2025	United Housing/HRDC	Oct-26, Sep-27
6,500,000	9%/CT/Polson Gardens	Polson	2025	Housing Solutions	Jul-26
6,500,000	9%/CT/The Homestead	Dillon	2025	The Housing Company	Jun-26
7,500,000	4%/Franklin School	Great Falls	2024	Vitus Development LLC	TBD
2,500,000	CT/Alpenglow II	Whitefish/18	2024	Housing Whitefish	Fall-27
30,460,886	9%/CT/4%Twin Creek	Helena/72	2024	United Housing Partners	Sep-25, Apr-26
8,050,000	9%/CT/Riverstone Senior	Hamilton/23	2024	Housing Solutions	Apr-26
27,155,000	4%/The Aurora	Billings	2024	Kamaka Affordable Housing, LLC	Jul-26
13,197,880	9%/4%/MidtownAspen	Bozeman/46	2024	Boundry Dev & HRDC	Jun-26
8,200,000	9%/CTMitchell Court	Billings/32	2024	GL Development	Feb-26
10,963,840	4%/The Manor	Hamilton/60	2024	Sapphire Lutheran Homes	Mar-26
82,575,000	4%/Westlake	Bozeman/216	2023	Devco Preservation	Sep-25
58,551,220	4%/HMF/Beaumont	Bozeman/155	2023	Rueter Walton Development	Jun-25
7,414,040	4%/Big Fork Senior	Big Fork/24	2023	Bigfork Senior Housing	Jun-25
6,435,000	9%/ANHA LIHTC #2	Agency/23	2023	Apsaalook Nation HA	Nov-25
6,500,000	9%/MF/Cabinet Affordable	Libby/24	2023	Cabinet Affordable Housing	Oct-25
41,961,750	9%/4%/Creek Side Apartments	Missoula/161	2023	Homeword	Dec-25,Sep-27
7,700,000	9%/MF/Meadowlark Senior	Butte/26	2023	Northwest Real Estate Capital Group	May-25
6,100,000	9%/Baatz Block Apts	Great Falls/25	2022	Homeword	Jul-25

	CTMH Projects	Loan Amount	Status
HB 16 \$15,000,000	Belt - Golden Valley Homes	\$803,060	Approved February 2020; Closed
	Cascade - Quiet Day Manor	\$872,500	Approved February 2020; Closed
	Livingston - Livingston Cottages	\$900,000	Approved February 2020; Closed
	Havre - Highland Manor	\$1,932,000	Approved February 2020
	Helena - Firetower	\$2,674,631	Approved April 2020; Closed
	Joliet / Laurel - Spruce Grove	\$5,173,486	Approved April 2020; Closed
	Havre - Oakwood Village	\$2,100,000	Approved April 2020; Closed
HB 819 \$50,000,000	Great Falls - Carter Commons	\$1,700,000	Approved September 2023
	Helena - Twin Creek 9%	\$1,221,360	Approved October 2023
	Hamilton - Riverstone Senior	\$1,550,000	Approved October 2023
	Billings - Mitchell Court	\$2,150,000	Approved October 2023
	Darby - Welcome Way	\$2,090,000	Closed November 2023
	Lolo - Two Rivers	\$5,460,833	Closed February 2024
	Belgrade - Stan's Garden	\$5,051,113	Closed January 2024
	Helena - Twin Creek 4%	\$6,890,000	Closed August 2024
	Great Falls - Elmore Roberts	\$4,989,000	Approved March 2024
	Whitefish - Alpenglow 2	\$3,000,000	Approved April 2024
	Red Lodge - RLACF Rentals	\$460,000	Closed September 2024
	Billings - Skyview	\$2,400,000	Application August 2024
	Polson - Polson Gardens	\$1,750,000	Approved October 2024
	Dillon - The Homestead	\$420,000	Approved October 2024
	Missoula - Old Hellgate Village	\$2,807,031	Closed October 2024
	Missoula - Casa Loma	\$9,300,000	Approved September 2024
Total		\$65,695,014	

## Events and Deadlines

## Board Agenda Item

Board Meeting: May 13, 2025

### Accounting and Finance Program

#### INVESTMENT DIVERSIFICATION BAR GRAPH

Diversification is an investment strategy that entails the purchase of a mixture of investments that reduces the exposure to investment risk. Currently, there are few investments options available that fit within the Board's Investment Policy, so most funds are invested in money market.

- As of March 31, 67.2% of MBOH funds were being held in money market earning 4.23%.
- The remaining funds are invested in FNMA, Freddie Mac and Treasury Bonds, with rates ranging from 3.69% to 6.48%.
- As of March 31, we have purchased \$29.1 million of GNMA MBS and \$898k of FNMA MBS with bond proceeds.

#### WEIGHTED AVERAGE YIELD TREND GRAPH

MBOH uses the average yield for each investment type and the par value of those same investment types to calculate the weighted average yield.

- The weighted average has decreased year-to-year from 5.26% in March 2024 to 4.61% in March 2025.



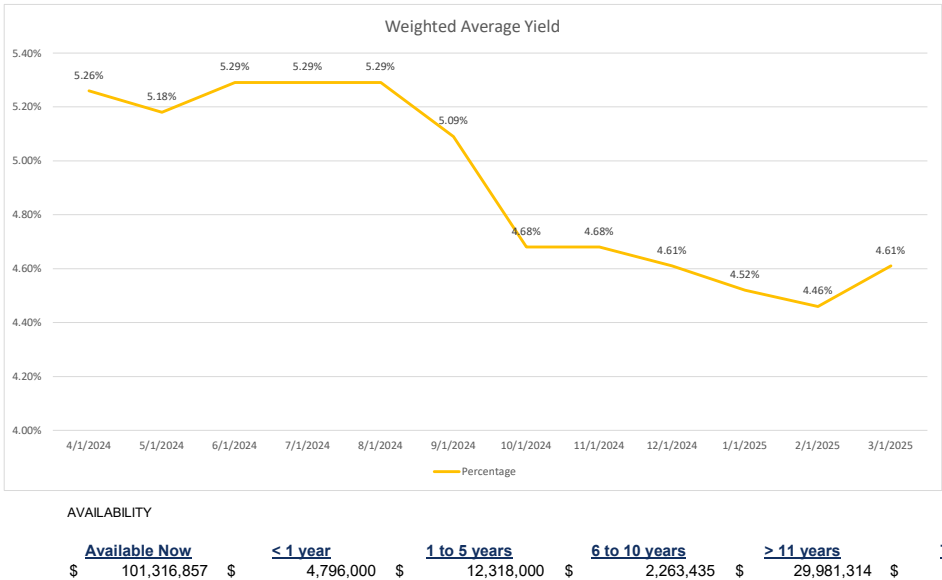
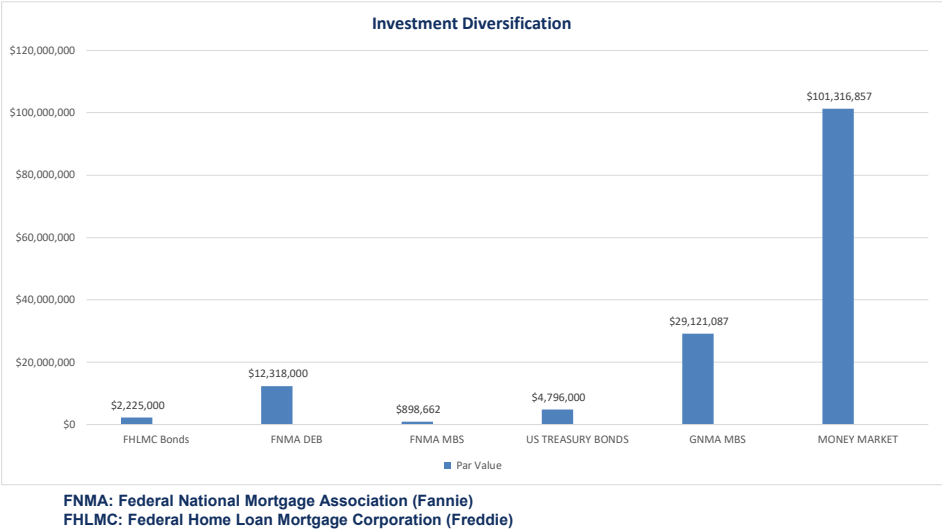
- The rate increased from 4.46% from February 2025 to March 2025.
- The averages include the rates on the MBS.

## INVESTMENT PORTFOLIO MATURITY SCHEDULE

Indicates who holds the investment securities on behalf of MBOH, the type of security, the date of maturity and the par value, which is the face value of the security at the time of issuance.

- The GNMA (Ginnie Mae) and FNMA (Fannie Mae) MBS (Mortgage-Backed Securities) are the longest-term maturities in our portfolio with yields at 4.45% and 5.0%.
- Two of the Treasury Bonds were purchased several years ago at a yield of 6.48%. These will be maturing in August 2025.
- The overall total of investments at the end of January 2025 was \$150.6 million with approximately \$67.2 million that total in money market.

We have calculated the upcoming June 1<sup>st</sup> debt service, we will be making principal and interest payments of \$36.5 million, which includes bond calls made with prepayment of \$14.5 million. This will leave a bonds outstanding balance of \$600 million in the 3 bond indentures, including the 2025A issue closed in April.



Investment Maturity Schedule

Maturity Date	Trustee	Type	Par Value
3/20/55	Wilmington Trust	GNMA MBS IHFA	6,758,578.00
2/20/55	Wilmington Trust	GNMA MBS IHFA	19,301,944.46
2/1/55	Wilmington Trust	FNMA MBS IHFA	417,313.00
1/20/55	Wilmington Trust	GNMA MBS IHFA	3,060,564.21
1/1/55	Wilmington Trust	FNMA MBS IHFA	273,914.17
8/1/38	Wilmington Trust	FNMA MBS	40,824.76
3/1/37	Wilmington Trust	FNMA MBS	93,649.41
7/1/36	Wilmington Trust	FNMA MBS	13,298.77
5/1/36	Wilmington Trust	FNMA MBS	21,226.99
2/1/36	Wilmington Trust	FNMA MBS	38,435.13
7/15/32	Wilmington Trust	FHLMC BOND	2,225,000.00
11/26/27	Wilmington Trust	FNMA DEB	3,635,000.00
4/30/26	Wilmington Trust	FNMA DEB	8,683,000.00
8/15/25	Wilmington Trust	T-NOTES & BONDS	4,796,000.00
3/31/25	US Bank Corporate Tr	US BANK MONEY M	8,117,039.11
3/31/25	Wilmington Trust	WT GOLDMAN SACH	93,199,818.18
Total			150,675,606.19

## Board Agenda Item

Board Meeting: May 13, 2025

### Homeownership Program

#### REVERSE ANNUITY MORTGAGE APPLICATION

A 78-year-old senior has applied for a Reverse Annuity Mortgage (RAM) loan in the amount of \$150,000 against a property located in Bozeman, Montana. The borrower is requesting an initial advance of \$25,000.

The property is a condominium in the Brecken Place Condominium project in Bozeman, Montana. According to the appraiser, there are no obvious adverse easements, encroachments, land uses or conditions that would affect the marketability of the property. The remaining useful life of the subject unit is 45 years. The project is not FHA approved at this time. However, the subject property meets the requirements as set out in FHA Handbook 4000.1.

The appraisal was completed April 25, 2025, and the value of the property is \$565,000 with the loan to value being 27%. The appraisal is "Subject To" the following: *As this is an FHA appraisal the following items do not meet standards, and this appraisal has been prepared based upon the "subject to" valuation of this repair. 1) The subject unit is missing the required railing for the upper-level stairway. This presents a safety hazard for the unit.* The borrower has been informed of this deficiency, and it is agreed it will be corrected before the closing of the Reverse Annuity Mortgage (RAM) loan.

**Montana Department of Commerce** | [commerce.mt.gov](https://commerce.mt.gov) | Montana Board of Housing  
P.O. Box 200528 | Helena, MT 59620-0528 | Phone: 406-841-2840 | Fax: 406-841-2841  
Montana Relay 711: [dphhs.mt.gov/detd/mtap/traditionalrelayservice](https://dphhs.mt.gov/detd/mtap/traditionalrelayservice)



**Staff Recommendation**

Upon staff review of the appraisal and additional documentation, staff recommend the Board approve this RAM loan.

# Board Agenda Item

Board Meeting: May 13, 2025

## Homeownership Program

### Purchase Price Limit Review with Option to Change

#### Background

On April 16, 2025, the Internal Revenue Service released the Revenue Procedure 2025-18 containing safe harbor numbers to be used in establishing purchase price limits for mortgage loans financed with tax-exempt bonds.

The purchase price limits for our program are determined by multiplying the safe harbor limits by .9 for non-targeted areas or 1.1 for targeted areas. The new purchase limits are attached for our review.

The purchase price limit in most counties increased by 7%, while 10 counties had less of an increase. Yellowstone, Stillwater, and Carbon counties increased substantially by 61% in 2024, but only increased by 1% in 2025.

**Staff Recommendation**

The Board is not required to approve the purchase price limits for our programs; however, they do have the option to set limits lower than safe harbor limits presented. Given the high home prices throughout the state, staff recommend using the limits as presented to assist as many homebuyers as possible.



<u>County / area</u>	<u>2024 Purchase Price Limit</u>	<u>2025 Purchase Price Limit</u>	<u>Amount of Change</u>	<u>Percent of Change</u>
Beaverhead	510938	\$544,232	\$33,294	7%
Big Horn	510938	\$544,232	\$33,294	7%
*Blaine	624480	<b>\$665,173</b>	\$40,693	7%
Broadwater	511803	\$544,232	\$32,429	6%
Carbon	773601	\$783,192	\$9,591	1%
Carter	510938	\$544,232	\$33,294	7%
Cascade	510938	\$544,232	\$33,294	7%
*City of Great Falls	624480	<b>\$655,173</b>	\$40,693	7%
Chouteau	510938	\$544,232	\$33,294	7%
Custer	510938	\$544,232	\$33,294	7%
Daniels	510938	\$544,232	\$33,294	7%
Dawson	510938	\$544,232	\$33,294	7%
*Deer Lodge	624480	<b>\$665,173</b>	\$40,693	7%
Fallon	510938	\$544,232	\$33,294	7%
Fergus	510938	\$544,232	\$33,294	7%
*Flathead	700486	<b>\$726,681</b>	\$26,195	4%
Gallatin	737044	\$746,182	\$9,138	1%
*Gallatin Census Tract 7.03	900831	<b>\$912,000</b>	\$11,169	1%
Garfield	510938	\$544,232	\$33,294	7%
Glacier	510938	\$544,232	\$33,294	7%
*Glacier Census Tract 9402	624480	<b>\$665,173</b>	\$40,693	7%
Golden Valley	510938	\$544,232	\$33,294	7%
Granite	510938	\$544,232	\$33,294	7%
*Hill	624480	<b>\$665,173</b>	\$40,693	7%
Jefferson	510938	\$544,232	\$33,294	7%
Judith Basin	510938	\$544,232	\$33,294	7%
Lake	510938	\$544,232	\$33,294	7%
Lewis & Clark	510938	\$544,232	\$33,294	7%
Liberty	510938	\$544,232	\$33,294	7%
Lincoln	510938	\$544,232	\$33,294	7%
*Lincoln Census Tract 4.02	624480	<b>\$665,173</b>	\$40,693	7%
Madison	510938	\$544,232	\$33,294	7%
McCone	510938	\$544,232	\$33,294	7%
Meagher	510938	\$544,232	\$33,294	7%
*Mineral	624480	<b>\$665,173</b>	\$40,693	7%
*Missoula	684632	<b>\$710,630</b>	\$25,998	4%
Musselshell	510938	\$544,232	\$33,294	7%
Park	577842	\$585,006	\$7,164	1%
Petroleum	510938	\$544,232	\$33,294	7%
Phillips	510938	\$544,232	\$33,294	7%
Pondera	510938	\$544,232	\$33,294	7%
Powder River	510938	\$544,232	\$33,294	7%
Powell	510938	\$544,232	\$33,294	7%
Prairie	510938	\$544,232	\$33,294	7%
Ravalli	517699	\$544,232	\$26,533	5%

Richland	510938	\$544,232	\$33,294	7%
Roosevelt	510938	\$544,232	\$33,294	7%
Rosebud	510938	\$544,232	\$33,294	7%
*Sanders	624480	\$665,173	\$40,693	7%
Sheridan	510938	\$544,232	\$33,294	7%
*Silver Bow	624480	\$665,173	\$40,693	7%
Stillwater	773601	\$783,192	\$9,591	1%
Sweet Grass	510938	\$544,232	\$33,294	7%
Teton	510938	\$544,232	\$33,294	7%
Toole	510938	\$544,232	\$33,294	7%
Treasure	510938	\$544,232	\$33,294	7%
Valley	510938	\$544,232	\$33,294	7%
Wheatland	510938	\$544,232	\$33,294	7%
Wibaux	510938	\$544,232	\$33,294	7%
Yellowstone	773601	\$783,192	\$9,591	1%
*Targeted Areas				

# Board Agenda Item

Board Meeting: May 13, 2025

## Homeownership Program

### Income Limit Approval

#### Background

The Board's Administrative Rules require that each June, or at other times as necessary, the Board is to review, establish and revise income limits for lower income persons and families in need of housing assistance under the Board's programs.

In Rev. Proc. 2021-19, the IRS provided permanent safe harbor income limit guidance for single family mortgage revenue bonds and mortgage credit certificates by referencing the income numbers released annually by HUD. On April 1, HUD released its income limits for 2025.

To determine the Board's income limits, we have the option of using either the 2024 or 2025 HUD income numbers, and the option of applying the high-cost area adjustment.

Staff reviewed the calculations and determined that using 2025 data would allow us to assist more borrowers. The new income limits are attached for Board member review.

**Staff Recommendation**

The Board has the option of setting program income limits at or below the safe harbor limits. Staff recommends that the Board approve the attached income limits.

	2024 Income		New HUD 2025 Income			Diff		
	Small Household	Large Household	Small Houshold	Large Household		Small	Large	
Beaverhead	91665	105415	99074	113935	8%	7,409	8,520	8%
Big Horn	91665	105415	99074	113935	8%	7,409	8,520	8%
*Blaine	107640	125580	114840	133980	7%	7,200	8,400	7%
Broadwater	91849	105626	97774	112440	6%	5,925	6,814	6%
Carbon	118200	137900	116520	135940	-1%	(1,680)	(1,960)	-1%
Carter	91665	105415	98074	113935	7%	6,409	8,520	8%
Cascade	89700	103155	98374	113130	10%	8,674	9,975	10%
*City of Great Falls	107640	125580	114840	133980	7%	7,200	8,400	7%
Chouteau	91665	105415	98654	113452	8%	6,989	8,037	8%
Custer	91525	105254	97634	112279	7%	6,109	7,025	7%
Daniels	91085	104748	98094	112808	8%	7,009	8,060	8%
Dawson	93200	107180	98214	112946	5%	5,014	5,766	5%
*Deer Lodge	107640	125580	114840	133980	7%	7,200	8,400	7%
Fallon	105300	121095	115000	132250	9%	9,700	11,155	9%
Fergus	91165	104840	98474	113245	8%	7,309	8,405	8%
*Flathead	107640	125580	115800	135100	8%	8,160	9,520	8%
Gallatin	130800	152600	135976	156373	4%	5,176	3,773	2%
*Gallatin Census Tracts 7.03	130800	152600	142800	166600	9%	12,000	14,000	9%
Garfield	91665	105415	98594	133383	8%	6,929	7,968	8%
Glacier	91665	105415	99074	113935	8%	7,409	8,520	8%
*Glacier Census Tracts 9402	106440	124180	114840	133980	8%	8,400	9,800	8%
Golden Valley	91665	105415	99074	113935	8%	7,409	8,520	8%
Granite	91665	105415	99074	113935	8%	7,409	8,520	8%
*Hill	107640	125580	114840	133980	7%	7,200	8,400	7%
Jefferson	95900	110285	104300	119945	9%	8,400	9,660	9%
Judith Basin	91665	105415	98714	113521	8%	7,049	8,106	8%
Lake	91665	105415	99074	113935	8%	7,409	8,520	8%
Lewis & Clark	104100	119715	107000	123050	3%	2,900	3,335	3%
Liberty	91665	105415	99074	113935	8%	7,409	8,520	8%
Lincoln	91665	105415	99074	113935	8%	7,409	8,520	8%
*Lincoln Census Tracts 4.02	107640	125580	114840	133980	7%	7,200	8,400	7%
McCone	90945	104587	97335	11134	7%	6,390	7,347	7%
Madison	91665	105415	99074	113935	8%	7,409	8,520	8%
Meagher	91665	105415	99074	113935	8%	7,409	8,520	8%
*Mineral	107640	125580	114840	133980	7%	7,200	8,400	7%
*Missoula	108240	126280	118200	137900	9%	9,960	11,620	9%
Musselshell	91665	105415	99074	113935	8%	7,409	8,520	8%
Park	103877	119459	105144	120916	1%	1,267	1,457	1%
Petroleum	91665	105415	98094	112808	7%	6,429	7,393	7%
Phillips	91665	105415	99074	113935	8%	7,409	8,520	8%
Pondera	91665	105415	99074	113935	8%	7,409	8,520	8%
Powder River	91665	105415	99074	113935	8%	7,409	8,520	8%
Powell	91665	105415	99074	113935	8%	7,409	8,520	8%
Prairie	91665	105415	99054	113912	8%	7,389	8,497	8%
Ravalli	93105	107071	97894	112578	5%	4,789	5,507	5%
Richland	91300	105995	97654	112302	7%	6,354	6,307	6%
Roosevelt	91665	105415	99074	113935	8%	7,409	8,520	8%
Rosebud	91665	105415	99074	113935	8%	7,409	8,520	8%
*Sanders	107640	125580	114840	133980	7%	7,200	8,400	7%
Sheridan	94000	108100	98500	113275	5%	4,500	5,175	5%
*Silver Bow	107640	125580	114840	133980	7%	7,200	8,400	7%
Stillwater	121320	141540	131880	153860	9%	10,560	12,320	9%
Sweet Grass	91045	104702	97454	112072	7%	6,409	7,370	7%
Teton	91665	105415	98634	113429	8%	6,969	8,014	8%
Toole	91665	105415	99074	113935	8%	7,409	8,520	8%
Treasure	91665	105415	98894	113728	8%	7,229	8,313	8%
Valley	91185	104863	97534	112164	7%	6,349	7,301	7%
Wheatland	91665	105415	99074	113935	8%	7,409	8,520	8%
Wibaux	92400	106260	100900	116035	9%	8,500	9,775	9%
Yellowstone	118200	137900	116520	135940	-1%	(1,680)	(1,960)	-1%
*Targeted Areas								

HOMEOWNERSHIP PROGRAM DASHBOARD

May 13, 2025

RATES

	CURRENT	LAST MONTH	LAST YEAR
MBOH*	5.500	5.50	5.750
Market	6.49	6.39	6.970
10 yr treasury	4.25	4.24	4.630
30 yr Fannie Mae	6.53	6.53	6.875

\*Current Setaside 5.25, DPA 5.75

MBS PROGRAM

RESERVATIONS		LOANS PURCHASED BY IHFA	
April NUMBER	April AMOUNT	April NUMBER	April AMOUNT

Series 2025A (since 1.30.25)	53	15,189,930	39	11,145,924.84
Series 2025A DPA (since 1.30.25)	21	261,908		
80% Combined (20+)	5	1,178,538		
SET-ASIDE PROGRAMS				
MBOH Plus DPA	11	132,916		
NeighborWorks	2	283,684		
CAP NWMT CLT				
Missoula HRDC XI				
Bozeman HRDC IX				
Home\$tart	1	279,812		
HUD 184				
MT Street CLT				
Sparrow Group				
City of Billings	1	259,767		
Foreclosure Prevent				
Disabled Accessible				
Lot Refi				
FY25 Habitat	1	135,000		
OTHER PROGRAMS				
Veterans (Orig)	1	169,900		
912 Mrtg Cr Cert (MCC)				

APRIL MBS TURNTIMES

Lender reservation to closing date	19.5	days
Closing Date to compliance submission	15.50	days
Compliance Submission to review time	1.32	days

LOAN PURCHASES BY LENDER

	Mar-25 1st	DPA	2025 YTD 1st	DPA
1ST SECURITY BK MISSOULA 133				
BANK OF COMMERCE 086				
BAY EQUITY LLC 853				
BRAVARA BANK 186	1	1	1	1
CHURCHHILL MORTGAGE 869			1	
CLEARWATER FEDERAL C U 901				
CMG 874				
CORNERSTONE HOME LENDING 850				
CROSSCOUNTRY MORTGAGE 863	2		9	4
ENVOY 871	1	1	1	1
EVERGREEN MORTGAGE 875	6	4	22	11
FAIRWAY INDEPENDENT MRTG 847	4	2	16	7
FIRST COLONY MORTGAGE 865				
FIRST FEDERAL BANK & TRUST 731	1		1	
FIRST INTERSTATE BANK-WY 601			1	1
FIRST MONTANA BANK 172			1	1
FIRST SECURITY BOZEMAN 061				
FLATHEAD HABITAT 991				
GLACIER BANK KALISPELL 735			1	
GUARANTEED RATE 864			3	1



GUILD MORTGAGE COMPANY 842	2		12	5
HOMETOWN LENDERS 862				
INTREPID CREDIT UNION 903			1	1
LOWER DOT COM, LLC 873	2	1	7	3
MANN MORTGAGE 835				
NEW AMERICAN FUNDING 878	1		1	
NOVUS 872	1	1	3	3
ONE TRUST HOME LOAN 868			1	
OPPORTUNITY BANK 700	7	3	27	7
PIONEER SAVINGS AND LOAN 710				
PRIME LENDING 851	1		4	
STOCKMAN BANK OF MT MILES 524	6	1	17	6
SYNERGY ONE LENDING 880			5	2
UNION HOME MORTGAGE 876				
UNIVERSAL 843				
US BANK 617				
VALLEY BNK DIV OF GLACIER BNK 151	2	2	3	3
WESTERN SECURITY BANK 785	3	1	8	1
WINTRUST MORTGAGE 867			1	1
YELLOWSTONE BANK 161			1	
<b>Grand Count</b>	<b>40</b>	<b>17</b>	<b>148</b>	<b>59</b>

### MARCH 2025 PORTFOLIO SUMMARY

	# of loans	\$ of loans	% of #	% of \$	
FHA	2,993	452,154,004	51.3%	67.3%	
RD	830	88,536,568	14.2%	13.2%	
VA	432	83,423,050	7.4%	12.4%	
HUD184	34	2,112,872	0.6%	0.3%	
PMI	31	1,924,346	0.5%	0.3%	
Uninsured 1st	272	34,013,732	4.7%	5.1%	
Uninsured 2nd	1,244	9,942,134	21.3%	1.5%	
<b>March 2025 Portfolio Balance</b>	<b>5,836</b>	<b>\$ 672,106,708</b>			
<b>March 2024 Portfolio Balance</b>	<b>5,449</b>	<b>\$ 572,572,868</b>	<b>7.10%</b>	<b>17.38%</b>	percent of Incr/Decr

### Weighted Average Interest Rate 4.598%

rates up to 4%	
2398	\$ 244,274,048
rates 4% and above	
3438	\$ 427,832,660

### RAM PROGRAM MARCH ACTIVITY

<u>Loan Requests</u>	<u>Loans Outstanding</u>	<u>Life of Program</u>	<u>Avail Balance</u>
2	300,000	43	2,620,031.29
		248	16,298,033
			3,849,704.55

### DELINQUENCY AND FORECLOSURE RATES

MONTANA BOARD OF HOUSING				MORTGAGE BANKERS ASSOC. 9/30/24			(most recent available)
	<u>Apr-25</u>	<u>Mar-25</u>	<u>Apr-24</u>	<u>Montana</u>	<u>Region</u>	<u>Nation</u>	
30 Days	1.08	1.40	1.12	1.45	1.74	2.15	
60 Days	0.80	0.75	0.95	0.47	0.58	0.74	
90 Days	<u>2.06</u>	<u>2.15</u>	<u>1.98</u>	<u>0.58</u>	<u>0.8</u>	<u>1.1</u>	
Total Delinquencies	3.94	4.30	4.05	2.50	3.12	3.99	
In Foreclosure	0.54	0.49	0.28	0.21	0.23	0.45	

Mortgage Servicing Program Dashboard  
Effective 04/30/25

2025 Monthly Servicing Report

MONTH	<u>Last Year</u>		<u>Last Month</u>	<u>This Month</u>		
	4/30/2024		3/31/2025	4/30/2025		
PORTFOLIO TOTAL LOANS	6097		6268	6248		
MBOH	5442		5598	5580		
BOI	295		291	291		
MULTIFAMILY	19		21	21		
HAF - HOMEOWNERS ASSISTANCE FUND	341		358	356		
PRINCIPAL (ALL LOANS)	\$	660,281,525	\$	727,521,643	\$	725,328,979
ESCROW (ALL LOANS)	\$	7,552,196	\$	8,289,796	\$	7,976,254
LOSS DRAFT (ALL LOANS)	\$	731,408	\$	1,019,090	\$	989,743
LOANS DELINQUENT (60+ DAYS)	226		297	271		
ACTUAL FORECLOSURE SALES IN MONTH	2		2	0		
FORECLOSURES TOTAL CALENDAR YEAR	4		2	2		
DELINQUENT CONTACTS TO MAKE	736		663	634		
LATE FEES - NUMBER OF LOANS	869		856	940		
LATE FEES - TOTAL AMOUNT OF REVENUE	\$	25,756.52	\$	26,719.14	\$	29,302.81
PAYOFFS	27		31	24		
NEW LOANS	82		1	4		

HUD's National Servicing Center TRSII SFDMS Reporting  
Expecting Jan-Mar Q2 2025 in May

LOSS MITIGATION	<u>Last Year</u>		<u>Last Month</u>	<u>This Month</u>
	4/30/2024		3/31/2025	4/30/2025
ACTIVE FINANCIAL PACKETS	0		0	0
REPAYMENT/SPECIAL FORBEARANCES	0		1	0
COVID 19 FORMAL FORBEARANCES	0		0	0
PARTIAL CLAIMS & MODS PENDING	15		0	2
CHAPTER 13 BANKRUPTCIES	8		6	6
PRESERVATION PROPERTIES	10		6	6
REAL ESTATE OWNED PROPERTIES	3		1	1
SHORT SALE	0		0	0
DEED IN LIEU	0		0	0

# Board Agenda Item

Board Meeting: May 13, 2025

## Operations / Executive Director

### BOARD MEETINGS

- The next Board meeting will be held on Monday, June 9, 2025, at 8:30a.m. via Zoom

### BOARD MEMBER OPPORTUNITIES

- The Montana Housing Partnership Conference will be held at the Billings Hotel and Convention Center May 19 - 21, 2025. The closing plenary will include a panel celebrating Montana Board of Housing's 50<sup>th</sup> anniversary. Bruce Brensdal, Cheryl Cohen, Pat Melby, and Maureen Rude are all confirmed for this panel.

### CONTRACTS / PROCUREMENT

- MRI/HAPPY amendment contract (software used by the Rental Assistance team) has been executed as of April 28, 2025. This amendment includes moving away from AWS and onto a Citrix platform, along with updating the FileMaker sub-software.

## **STAFFING UPDATES**

- Michelle Garza (Loan & Bond Specialist with Servicing Team) resigned from her position. Staff are exploring options for a temporary worker while we explore shifting some of the hazard insurance work in this portion to an outside vendor.
- Kylee Hughes has joined the Administrative/Operations team as an Administrative Assistant (vacated by Haley Danko who moved to another position in Commerce). Kylee was previously the Executive Assistant for Cheryl in 2022-2023. We welcome Kylee back to our team.

## **PRO-HOUSING NOFO**

The PRO-Housing grant has transitioned to Community MT Division, due to its focus on community planning. While MBOH and the Commerce Housing Division will not be directly involved, interested parties will be able to review the PRO-Housing Action Plan and other related activities under Community MT once the website is established, and some Housing Division team members will provide support behind-the-scenes to Community MT as needed.

## **HOMEOWNER ASSISTANCE FUND**

- The HAF team is currently working on ways to streamline the Home Repairs Program to expedite applications more quickly.
- Mortgage Reinstatement applications have slowed down a bit, so the team will be sending an email to our servicers quarterly to let them know we are still up and running starting this month.

**Montana Department of Commerce** | [commerce.mt.gov](https://commerce.mt.gov) | Montana Board of Housing  
P.O. Box 200528 | Helena, MT 59620-0528 | Phone: 406-841-2840 | Fax: 406-841-2841  
Montana Relay 711: [dphhs.mt.gov/detd/mtap/traditionalrelayservice](https://dphhs.mt.gov/detd/mtap/traditionalrelayservice)





- As of May 1, 2025, 2,917 applications have been submitted to the statewide program.
- HAF staff have approved and paid close to \$16 million in total through all statewide program applications.

### COMMUNITY HOUSING

- Montana's 2025-2029 Consolidated Plan is through its public comment period. We expect HUD to provide 2025 allocations by May 14. Montana's Consolidated Plan will be submitted to HUD shortly after receiving the allocation amounts.
- HUD has signaled to expect funding levels to remain the same as last year, so we anticipate have ~\$2.7 million in both HOME and HTF, and CDBG-Housing ~\$1.5 million.
- Montana's 2024 Consolidated Annual Performance Evaluation Report is being developed now; a draft will be available before May 19, when the public comment period begins. The public meeting regarding the CAPER will be May 22, 2025 and we'll accept comments through June 6, 2025.

### EXECUTIVE DIRECTOR

- As noted in the April report, the U.S. Department of Housing and Urban Development published new [2025 Fair Market Rents](#), based on the data submitted under our FMR Reevaluation Survey, on March 28, 2025. Our staff is finalizing their analysis of these new FMRs to set our rental assistance program Voucher Payment Standards. The Commerce rental assistance team will publish





updated Voucher Payment Standards to be effective July 1, 2025 (rather than June 1, 2025, as previously reported). This one-month delay is to both provide time for HUD to provide formal correspondence of our FY2025 budget authority and to align with the state's new fiscal year start to prevent the need for a budget change request to increase state budget authority prior to fiscal year-end.

- See attached April 22, 2025 letter drafted by the National Council of State Housing Agencies (NCSHA) to HUD Secretary Scott Turner outlining various recommendations to eliminate, streamline and/or reduce regulatory barriers.
- Trump Administration Releases “Skinny” FY26 Budget Proposal – Published on May 2, 2025 by Robert Henson at NCHSA:
  - *The Trump Administration has released a preliminary version of the President’s Fiscal Year 2026 Budget Request. Information in the materials provided so far is extremely limited, but the budget proposes an overwhelming reduction in federal resources supporting affordable housing. This blog will be updated when additional supporting materials become available.*

#### **Discretionary HUD Program Highlights**

- *The budget proposes eradicating large swaths of the Department of Housing and Urban Development (HUD) budget. With respect to rental assistance, the budget would eliminate federal rental assistance programs such as tenant-based and project-based rental assistance and replace them with a yet-to-be-released state-based formula block grant, while*





*encouraging “states to provide funding to share in the responsibility to ensure that similar levels of recipients can benefit from the block grant.” The budget also would impose a two-year cap on rental assistance for “able-bodied adults.”*

- *The budget would dramatically cut or eliminate most HUD block grant programs. It would fully eliminate the Community Development Block Grant and HOME Investment Partnerships Program, arguing in the case of the latter that “[t]he Federal Government’s involvement increases the regulatory burden of producing affordable housing . . . [s]tate and local governments are better positioned to address comprehensively the array of unique market challenges, local policies, and impediments that lead to housing affordability problems.”*
- *The budget would further eliminate or significantly cut other HUD programs, including by consolidating Continuum of Care and Housing Opportunities for Persons with AIDS programs into the Emergency Solutions Grant, eliminating competitive Native grant programs and the Native Hawaiian Housing Block Grant, and eliminating Family Self-Sufficiency Programs.*

### **USDA Rural Housing Program Funding Highlights**

- *The budget would eliminate U.S. Department of Agriculture single-family housing direct loans, self-help housing grants, and rural housing vouchers, arguing these programs “are duplicative, too small to have macro-*



*economic impact, costly to deliver, in limited demand, available through the private sector, or conceived as temporary.”*

## LEGISLATIVE SESSION

See enclosed Bill Tracker for housing-related bills, updated April 4, 2025.

- **HB 63** *Extend application of bond validating act* was passed and assigned Chapter Number on March 27.
- **HB 505** *Revise laws on Montana housing infrastructure revolving loan fund on deed restrictions, usage, and interest* (Board of Investments program) returned from enrolling on April 23.
- **HB 836** *Provide for a property tax deferral loan program* was tabled in Senate Taxation on April 16.
- **HB 873** *Create a mobile home park emergency relocation account* was tabled in House Business and Labor on April 1.
- **HB 878** *Authorize additional funding for coal trust loan program for housing* failed second reading in the House on April 7.
- **HB 924** *Generally revise state finance laws* passed the House (60-39) as amended by the Senate on April 29 and returned from enrolling on April 30. See enclosed slide deck for a summary of this legislation.
- **HB 931** *Allow for nonprofit development and management of attainable workforce housing on state lands* passed in third reading in the Senate (33-17) on April 22 and returned from enrolling on April 28.
- **SB 405** *Provide additional funding for the housing Montana fund* was tabled in House Business and Labor (15-0) on April 18.





- **SR 91** *Confirm governor's appointees for the board of housing* was filed with Secretary of State on April 16.
- **HJ 30** *Study resolution on incentivizing housing density and affordability* passed and returned from enrolling on April 29.
- **HJ 41** *Study resolution on the landlord tenant act and mobile home lot rental act* was tabled in House Judiciary (12-8) on April 17.
- **HJ 43** *Study resolution on coordinated homeless services* passed in Senate Public Health, Welfare and Safety (7-4) on April 28 but failed to pass the Senate before sine die.





April 22, 2025

The Honorable E. Scott Turner  
Secretary  
U.S. Department of Housing and Urban Development  
451 Seventh Street, SW  
Washington, DC 20410-0500

Dear Secretary Turner:

The National Council of State Housing Agencies (NCSHA)<sup>1</sup> congratulates you on your recent confirmation as the 19<sup>th</sup> Secretary of the U.S. Department of Housing and Urban Development (HUD). We strongly support your goal of increasing the supply of affordable housing and maximizing the efficacy of HUD programs so that the Department can achieve its mission to create strong, sustainable, inclusive communities and quality affordable homes for all.

NCSHA is a national nonprofit, nonpartisan organization that represents the nation's state housing finance agencies (HFAs). State HFAs have collectively delivered more than \$800 billion in financing to make possible the purchase, development, and rehabilitation of over 8.3 million affordable homes and rental apartments for low- and middle-income households.

NCSHA commends the Trump Administration for its focus on streamlining regulations that needlessly impede the ability of the private sector, community-based groups, and state and local governments from meeting the nation's worsening affordable housing challenges. While many barriers are at the state and local levels, there are also numerous opportunities to cut costs, contradictions, and complexities from federal regulations to better facilitate the production of affordable housing and improve HUD programs.

In addition to removing regulatory barriers, we recommend that HUD delegate authority for certain activities to state HFAs when possible. HUD often is unable to sign off on various actions in a timely manner, leading to costly production delays. This challenge will be exacerbated if and when HUD undertakes major reductions in forces as the Trump Administration and its Department of Government Efficiency have proposed.

NCSHA's recommendations herein would simplify program administration, reduce delays, lower costs, and allow HFAs to optimize the administration of HUD programs. Our recommendations—focusing

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<sup>1</sup> NCSHA is a nonprofit, nonpartisan organization. None of NCSHA's activities related to federal legislation or regulation are funded by organizations that are prohibited by law from engaging in lobbying or related activities.

on both individual HUD programs and onerous cross-cutting requirements that impede affordable housing developments broadly—identify those we believe will have significant near-term payoffs. They provide direction to help this administration take substantive actions to reduce red tape that will directly lead to more affordable housing.

### **Cross-Cutting Requirements**

Often when asked to identify burdensome program regulations, HFAs point first to cross-cutting federal requirements that are applied to HUD programs, including Davis-Bacon labor rules, environmental reviews, the Uniform Relocation Act, Build America Buy America, and other regulatory interpretations of statutes that all have laudable goals, but in practice present excessive burden and create major delays in moving housing development through the pipeline to fruition, driving up program costs.

#### Davis-Bacon (29 CFR Parts 1, 3, and 5)

Much can be done to reduce the complexity, time, and cost of compliance with the Davis-Bacon Act to better deliver high-quality affordable housing, while also supporting the workforce that delivers that housing. Unfortunately, Davis-Bacon requirements are so onerous that HFAs report developers often do not want to accept HUD program funds if the use of such funds triggers Davis-Bacon requirements. The reason is not necessarily because Davis-Bacon wages are too high, but rather that the paperwork associated with ensuring compliance is needlessly complex and time-consuming. In practice, it is often only the larger, most sophisticated developers that will undertake projects subject to Davis-Bacon, while smaller and moderate-sized developers cannot compete because Davis-Bacon compliance is cost-prohibitive.

Not long ago, NCSHA provided detailed [comments](#) to the Department of Labor (DOL), which has primary jurisdiction over Davis-Bacon, on how Davis-Bacon's application to federal housing programs could be simplified.

*Recommendations:* Coordinate with DOL to enact the reforms we have suggested, which include:

- Establishing a single residential wage decision for multifamily housing construction or substantial rehabilitation projects based on the overall residential character of the project rather than requiring “split-wage decisions;”
- Applying the wage rate in effect on the date a project sponsor applies for a firm commitment rather than requiring projects to revise the wage rate throughout the process to reduce disruptions and provide greater certainty for developers;
- Allowing for the adoption of state or local wage determinations as the Davis-Bacon prevailing wage where specified criteria are satisfied; and
- Streamlining Davis-Bacon compliance to provide flexibility in wage reporting timelines, revise on-site interview requirements, and improving interagency coordination.

NCSHA further recommends that where possible, HUD should adjust the threshold at which Davis-Bacon is triggered—whether that be a unit or dollar threshold—to reduce the number of developments to which Davis-Bacon applies. Moreover, HUD should not apply Davis-Bacon to properties solely due to application of project-based vouchers, as these funds are not used for construction and do not enter the project until development or rehabilitation is completed and the project is operational.

#### Environmental Review (24 CFR Part 50 and 58)

Affordable housing developments that receive funding from certain HUD programs—such as the HOME Investment Partnerships program, Community Development Block Grant (CDBG), and Section 8 project-based vouchers, among others—must undergo an environmental review. Until that process is complete and HUD signs off on the review, HUD regulations prohibit all participants in the development process, including the developer, the design team, and the contractor, from taking any so called “choice-limiting actions.” Acquisition of property, signing a construction contract or abatement contract, purchasing construction materials; or starting demolition or abatement activities are all considered choice-limiting actions, and thus prohibited until the environmental review is completed and certified by HUD. Unfortunately, the environmental clearance often takes a year or longer to complete and achieve HUD certification.

The environmental review adds significant time to the development process, leading to unnecessary costs, as developers are precluded from making a deposit and locking in pricing for materials, and puts affordable housing developers at a market disadvantage for acquiring land and undertaking predevelopment activities.

Moreover, if a project sponsor seeks additional HUD resources to fill a financing gap after their project has already undergone an environmental review, the use of the additional resource(s) triggers a subsequent, duplicative environmental review, restarting the entire process and putting any further activity on hold until it is cleared a second time.

While undertaking an environmental review is important for any new construction project to ensure its development will not result in negative environmental outcomes, HUD regulations also apply environmental review requirements to existing housing when it is recapitalized with HUD resources for purposes of rehabilitation and preservation.

*Recommendations:* HUD could ease the burden of environmental reviews by making the following common-sense changes to its regulations:

- Allow developers to undertake certain activities—such as signing a conditional purchase and sales agreement contingent on the project clearing the environmental review; limited demolition and/or environmental abatement actions; and procurement of certain materials, particularly those for which there are supply chain challenges which may require a lengthy wait for delivery—prior to the completion of the environmental review. Developers that choose to undertake such actions prior to environmental clearance would do so at their own risk should the project not pass the



environmental review. Allowing developers to move forward before clearance would minimize delays, result in better pricing, and put affordable housing developers on level footing with market-rate competitors that are not subject to environmental review requirements.

- Allow developers to incorporate federal resources into the capital stack after a project has completed an environmental review without triggering a subsequent, duplicative environmental review.
- Eliminate environmental review requirements for existing projects undergoing rehabilitation.
- Reduce the 30-day public comment period for the environmental review to no more than 15 days.
- Provide state HFAs with authority to certify the environmental reviews for developments they finance so developers do not have to wait for HUD approval to move forward.

### Build America, Buy America (2 CFR Part 184)

The Infrastructure Investment and Jobs Act included “Build America, Buy America” (BABA) provisions to encourage the use of domestically sourced materials in major infrastructure projects. While not required by the statute, the Biden Administration applied BABA requirements to affordable housing developments financed in part with HUD federally funding sources, such as HOME, the Housing Trust Fund, CDBG, and other programs.

While BABA’s goal – to support U.S. industry through domestic sourcing – is laudable, its application to affordable housing production unnecessarily raises development costs and constrains the ability of the affordable housing sector to increase supply. Not only does it require developers to purchase higher cost materials, but it adds bureaucratic hurdles for developers and contractors as they seek to ascertain the provenance of materials and requires increased documentation, recordkeeping, and reporting to ensure compliance.

While HUD has recommended using a domestic vendor search agency to make it easier to find domestically sourced materials, this has not alleviated BABA delays. Moreover, BABA introduces yet another public comment period into the housing development process, compounding the challenges. These delays often lead to significant added cost.

One state HFA recently reported to NCSHA that BABA compliance is resulting in delays of approximately 2.5 months per component, and that each project requires hundreds, if not thousands, of construction components. Delays like this are untenable and are already resulting in developers avoiding the use of HUD funding in their projects because BABA compliance is too costly.

*Recommendation:* Exempt affordable housing development and rehabilitation, including homeownership repair and development and construction, from BABA requirements.

### Section 3 (24 CFR Part 75)

Section 3 of the Housing and Urban Development Act of 1968 mandates that recipients of HUD funding prioritize employment, training, and contracting opportunities for low-income individuals and businesses within their communities. In 2020, HUD issued new regulations for Section 3 to increase its

impact and streamline and update HUD reporting and tracking requirements. While the goals of the Section 3 rule are commendable, implementation of these requirements is resulting in unnecessary cost and administrative burdens, often with negligible benefits to low-income workers.

The rule requires that all rehabilitation, housing construction, and other public construction projects that receive at least \$200,000 in HUD program funds comply with Section 3. Section 3 workers must work at least 25 percent of the total number of labor hours of all workers in a project, and targeted Section 3 workers (a subset of overall Section 3 workers) must work at least 5 percent of the total number of labor hours worked by all workers. Grantees must ensure that developers and contractors on these projects are hiring workers that meet the Section 3 worker and targeted worker requirements and track workers' hours to ensure these benchmarks are satisfied.

These requirements are burdensome, particularly for projects that would not otherwise be subject to Davis-Bacon requirements, which also requires grantees to ensure workers' work hours are tracked. Moreover, as most developers and contractors already have employees in place, it does not make sense for them to bring on new workers just to adhere to Section 3 qualifications. Section 3 can be a disincentive for contractors to work on HUD-financed properties, particularly as there is already an insufficient supply of qualified contractors in many communities. Additionally, with the exception of the elderly and persons with disabilities that prevent them from working, many low-income people already have jobs, but they are not earning enough at those jobs to afford market-rate housing.

*Recommendations:* Apply Section 3 requirements only to projects that both exceed the \$200,000 threshold and are already required to comply with Davis-Bacon. HUD should also waive Section 3 requirements for projects for which the grantee certifies that it tried but was unable to meet the Section 3 benchmarks.

#### HUD Planning Requirement: Consolidated Plan and Annual Action Plan (24 CFR Part 91)

HUD requires grantees administering certain programs, including HOME, CDBG, and the Housing Trust Fund (HTF), to develop a five-year Consolidated Plan (ConPlan) to guide their use of these resources. The ConPlan process consists of a needs assessment, a five-year plan, annual action plans, and annual reporting. The time it takes to complete a ConPlan and their financial cost are significant. Grantees, including HFAs, must use limited program administrative fees to perform this work and are not awarded additional funds dedicated to completing this process.

Creating both a five-year ConPlan and annual action plans is duplicative. The five-year plan and annual performance reports should be sufficient to identify the intended use of the federal funds and the grant period performance.

*Recommendation:* Eliminate annual action plan requirements.

## HOME Investment Partnerships Program

The HOME Investment Partnerships (HOME) program is HUD's flagship affordable housing production program, providing states and localities with a flexible resource to meet their most pressing low-income rental and homeownership needs. Since its creation more than 30 years ago, HOME has successfully helped finance more than 1.39 million affordable homes, in addition to making homes affordable for hundreds of thousands of families with direct rental assistance.

### Repayment Requirements (24 CFR 92.252(e))

The HOME repayment regulations go beyond statutory requirements by directing Participating Jurisdictions (PJs) to repay all HOME funds if at any point during the affordability period a property in which those funds were invested falls out of compliance with program rules, regardless of how long the development was in compliance. PJs do their best to recapture HOME funds from noncompliant properties to repay HUD; however, sometimes it is impossible for those properties to repay the funding, and PJs are left with the repayment responsibility.

Moreover, requiring the repayment of all invested HOME funds in a property if the property goes out of compliance at any point during the affordability period is a disincentive for undertaking certain types of development, which may have more risk associated with them. For example, deeply targeted developments, such as permanent supportive housing, may be riskier than developments that charge rents at or just below the HOME program rent limits. Therefore, the repayment requirement may act as a disincentive to finance priorities such as permanent supportive housing.

*Recommendation:* Allow proration in HOME's repayment requirement in the regulatory section cited above. Proration would better align these programs with the Low Income Housing Tax Credit (Housing Credit) program. If a Housing Credit property falls out of compliance within the first 15 years of the affordability period, the IRS may recapture Housing Credits from investors on a prorated basis.

### Minimum Property Standard Exemptions (24 CFR 200.926)

HUD requires PJs to ensure that all properties receiving HOME funds for rehabilitation of any kind meet strict Minimum Property Standards (MPS). However, this standard makes it difficult to use HOME to assist in disaster recovery situations. Moreover, it is duplicative when applied to homebuyer activities, as such housing typically undergoes an inspection by licensed home inspectors. Therefore, it is redundant to require the PJ to also ensure the property meets MPS.

*Recommendation:* Exempt emergency repairs from MPS standards, allowing HOME to be a more efficient tool to use in disaster recovery situations. Furthermore, we recommend exempting HOME homebuyer activities from the MPS requirement.

### Violence Against Women Act Requirements (24 CFR 92.359)

HOME, like many HUD programs, is subject to the Violence Against Women Act (VAWA), which is intended to protect survivors of domestic violence and other crimes from losing their housing assistance. Unfortunately, HUD's VAWA regulations require the PJ to approve an external transfer when a tenant seeks to move to another property to be safe.

*Recommendation:* HUD should expedite this process by allowing building owners to approve external transfers rather than requiring action by the PJ. There is no need to also require the PJ to sign off, especially as the survivor's safety may require a speedy transfer.

### **Housing Trust Fund**

Targeted mostly to extremely low-income households, the Housing Trust Fund (HTF) provides affordable housing and promotes independent living and self-sufficiency for our nation's poor families. With its administration entrusted to state agencies, HTF is part of the strong and proven state delivery system that also successfully administers other key housing programs, including HOME and the Housing Credit.

In general, NCSHA urges HUD to work with grantees to streamline HTF regulations to allow for easier coordination of it with other affordable housing production programs, minimize unnecessary administrative burden, and provide state agencies as much flexibility as possible in program administration. Coordination and streamlining are especially important because HTF resources have been considerably less than HUD originally anticipated when it published the HTF interim rule in December 2015.

### HTF Allocation Plans and Rehabilitation Standards (24 CFR 93.100)

Each HTF grantee must prepare an annual allocation plan showing how it will distribute HTF resources based on the priority housing needs identified in the state's Consolidated Plan. The allocation plan process is cumbersome and often duplicative of other planning efforts. Further, certain aspects of the HTF allocation plan requirements are so burdensome they deter grantees from using HTF funds for specific purposes.

In particular, HTF requirements related to rehabilitation standards differ from other rehabilitation standards and have proven to be excessively complex for practical application. Due to this complexity, some grantees have opted not to include rehabilitation standards in their allocation plans, thus foregoing any rehabilitation activities with HTF.

*Recommendation:* Streamline the HTF allocation plan process, including sections related to the rehabilitation standards (Interim § 93.301). This would relax recipient planning requirements and better align HTF with other HFA-administered programs, such as HOME and the Housing Credit.

#### Affordability Period (24 CFR § 93.302 (d))

HTF's interim rule imposes a 30-year period during which a property must meet the regulation's occupancy and rent restrictions. However, the statute authorizing HTF does not set an affordability period of any length; instead, the statute requires states to select projects based, in part, on the duration of the affordability period.

*Recommendation:* Eliminate the 30-year affordability requirement and instead allow states to determine the appropriate affordability period for HTF dollars according to the project in which they are investing. This will also allow states to align affordability periods with other affordable housing programs they are using to finance specific developments, including HOME and the Housing Credit.

#### Repayment Requirements (24 CFR 93.403)

The HTF program follows many of HOME's regulatory requirements, including the requirement that the grantee repay all funds invested in a property if at any point during the affordability period the property falls out of compliance with program rules, regardless of how long the development was in compliance. Similar to HOME, this serves as a disincentive for undertaking certain types of developments that may have more risk associated with them, including permanent supportive housing. This is exacerbated by HTF's lengthy 30-year affordability requirement.

*Recommendation:* Allow HTF grantees to prorate repayments based on the proportion of the affordability period the property has completed. Proration would better align HTF with the Housing Credit program. If a Housing Credit property falls out of compliance within the first 15 years of the affordability period, the IRS may recapture Housing Credits from investors on a prorated basis.

#### Income Targeting (24 CFR §§ 93.250–93.251)

The HTF statute requires that at least 75 percent of a grantee's HTF allocation be used to house extremely low-income (ELI) households. However, the Interim Rule restricts income targeting flexibility beyond the statutory requirement by mandating that grantees use 100 percent of their HTF allocations to house ELI households if the total allocation is under \$1 billion. This lack of flexibility has made it more difficult to use HTF in certain situations; for example, in rural areas where incomes are especially low and the market is limited, and for permanent supportive housing when some potential residents may have incomes slightly above the ELI threshold.

*Recommendation:* Align the HTF income targeting requirement with the statutory language, providing state grantees more flexibility.

#### HTF Environmental Reviews (24 CFR §§ 93.301(f))

While the HTF statute does not include environmental requirements, HUD developed environmental provisions under the HTF Property Standards at 24 CFR § 93.301(f) for new construction and

rehabilitation. HTF environmental standards differ from Part 58 environmental reviews, which state and local grantees must undertake under the HOME program. While some aspects of the HTF environmental standards are preferable to Part 58, there are also some significant drawbacks. Specifically, HTF environmental standards are too restrictive in terms of allowable activities. For example, HTF environmental standards do not allow for certain mitigation activities permitted under Part 58.

Furthermore, HTF environmental standards strictly prohibit new construction on farm lands (as defined by USDA). However, in some states, most undeveloped land is considered farm land by USDA; thus, HTF environmental standards severely limit new construction in these states.

*Recommendation:* Replace the HTF environmental requirements with Part 58 reviews done by state and local governments, reformed and streamlined as suggested in the “Cross-Cutting Requirements” section above.

### **Section 8 Project-Based Rental Assistance**

Section 8 Project-Based Rental Assistance (PBRA) is a critical federal housing program, allowing vulnerable low-income households to access decent, safe, and sanitary housing at rents they can afford. PBRA contracts are administered by HUD and state and local public housing agencies (PHAs).

Many contract administrators are Section 8 Performance-Based Contract Administrators (PBCAs) under a program HUD developed to assign some contract administration duties to state and local housing agencies, while maintaining HUD oversight. PBCAs provide direct oversight and monitoring of the financial and physical conditions of project-based Section 8 properties. They conduct on-site management reviews of assisted properties; adjust contract rents; and review, process, and pay monthly vouchers submitted by owners.

While there are regulatory modifications that could help improve the PBRA program and streamline its administration, the most important action HUD can take to protect and preserve this program relates to the upcoming procurement process for rebidding PBCA contracts.

Specifically, as NCSHA has communicated to HUD on several occasions, HUD must uphold its statutory duty under the Housing Act of 1937 to contract only with PHAs to administer federal rental assistance contracts. State HFAs, which are considered PHAs for purposes of the Section 8 program, have a proven track record of administering PBRA contracts effectively. They are mission-driven entities devoted to the same affordable housing objectives as HUD. We also recommend HUD seek legislative authority to proceed with a state-by-state rebidding procedure that avoids the unnecessary, counter-productive, and unworkable elements inherent in the bureaucratic and controlling traditional procurement process under the Federal Acquisition Regulation.



### Rent Comparability Studies (Chapter 9 of the Section 8 Renewal Policy Guidebook)

In 2016, HUD implemented a new Rent Comparability Study (RCS) review policy that requires a state-certified appraiser to perform all substantive reviews. This requirement has created an undue financial burden for some PBCAs because they incur the costs for forwarding every RCS to state-certified appraisers, rather than just RCSs that need professional reviews, as they had done previously. On the other hand, some states lack sufficient internal capacity to perform every RCS and elect to contract out this work.

*Recommendation:* Allow PBCAs to determine the most efficient and cost-effective manner to perform RCS work, either internally or by contracting with third parties.

### Mark-to-Market (Chapter 3 of the Section 8 Renewal Policy Guidebook)

A Renewal guidebook requirement makes developments with “use restrictions that cannot be unilaterally eliminated by the owner” ineligible for contract renewal. Option 1A (Section 3-3B) makes it very difficult for developments with long-term restrictions, such as Housing Credit use agreements, to be eligible for market-rate increases. Such increases help to maintain adequate cash flow to these properties without unduly burdening tenants. While the introduction of Option 1B was helpful in this regard, it covers a limited number of situations and target populations.

*Recommendation:* Eliminate this requirement, possibly including additional safeguards to ensure long-term preservation and capital investment in a property.

### Risk-Based Monitoring and Occupancy Reviews for Section 8 Housing Programs (24 CFR Parts 880, 881, 883, 884, 886, and 891)

Risk-based monitoring for Section 8 Housing Programs went into effect with baselines set in October 2022. The intent of risk-based monitoring is to streamline the review process and reward well-managed owners and operators of affordable housing by reducing the frequency of Management and Occupancy Reviews (MOR) from annually to every two or three years for high performers. This framework was initially well-received but several problems in its implementation have since been identified.

While reviews may be less frequent for high performers, HUD procedures still require review of every certification since the previous MOR and corrections of any issues identified. This does not reduce compliance burden.

HUD also requires the MOR to be completed within six months of an owner or management agent change at a property. When a PBCA performs an MOR within the first six months of the change, most likely they are reviewing files reflective of the prior owner or management.

Finally, HUD has eliminated the option to perform certain aspects of the MOR remotely. While the remote MOR option does not replace the need to physically visit and evaluate the property, the audit portion of an MOR can be done remotely, saving both time and resources.

*Recommendations:* HUD should make the following changes to its risk-based monitoring requirements:

- Only require review of certifications from the final year of a two- or three-year review period for high-performing properties.
- Require review only of the last full certification (or in the alternative, a random selection of one of the certifications within the lookback period) for each household; if discrepancies are identified, further review should be required.
- Require an MOR within a year of a change of owner or management agent, rather than within six months.
- Reinstatement the option to perform elements of the MOR that do not require physical or visual inspection of the property remotely to promote efficiency. This is particularly important for properties in rural areas where travel to properties may have significant costs.

### **Housing Choice Voucher Program**

#### Section 8 Management Assessment Program (24 CFR Part 985)

HUD requires PHAs administering the Housing Choice Voucher (HCV) program to self-report to HUD using the Section 8 Management Assessment Program (SEMAP). HUD's Office of the Inspector General (OIG) in a 2023 report found that the information reported by PHAs in SEMAP may not accurately reflect their performance and HUD's process for verifying the information does not effectively assist HUD in evaluating and identifying PHAs' HCV programs that need improvement. The OIG recommended that HUD enhance SEMAP or develop a new performance measurement process that would identify PHAs with underperforming HCV programs.

*Recommendation:* Replace SEMAP with other reporting tools that better monitor PHAs' success and outcomes, as suggested by the OIG.

#### HCV Waiting List Advertising Requirements

HUD requires PHAs to advertise HCV waiting list openings and closings in local newspapers. This requirement is outdated in our modern media environment. PHAs often spend as much as \$30,000 annually or more on newspaper advertisements to comply with this requirement, and these advertisements often do not effectively reach the intended audience. Outreach on the status of HCV waiting lists is more effectively accomplished through other channels.

*Recommendation:* Allow PHAs instead to communicate the status of HCV waiting lists through local engagement, social media, or other modern communication channels, at their discretion, as an alternative to newspaper advertisements.

### Local Flexibility (24 CFR Part 982)

HUD's Moving to Work (MTW) program provides PHAs administering public housing and Housing Choice Voucher programs substantial flexibility to modify program rules and procedures. HUD's recent MTW expansion does not provide the same flexibilities. The MTW expansion is helpful but does not go far enough to provide PHAs with regulatory flexibility. More flexibility allows PHAs to tailor their programs to meet local needs and reflect local PHA operations and capabilities.

*Recommendation:* Allow PHAs to opt into a housing assistance model with flexibilities and program administration authority more similar to the original MTW program.

### **Section 811 Project Rental Assistance Program**

Section 811 Project Rental Assistance (PRA) is an important program for addressing the affordable housing needs of low-income persons with disabilities. Unfortunately, HUD guidance on Section 811 PRA has proven to be excessively burdensome. As a result, some HFAs and property owners have been disinclined to participate in the program.

### Capital Program Requirements Applied to Section 811 PRA (24 CFR Part 891)

The Section 811 PRA regulations include onerous environmental provisions and Davis-Bacon Act requirements, which may be appropriate for capital programs that are used to finance the building or rehabilitation of housing but should not be applied to rental assistance such as Section 811 PRA. These requirements are a disincentive for private owners to participate and are unnecessary given the structure of the Section 811 PRA program.

*Recommendation:* Remove regulatory requirements for environmental reviews and Davis-Bacon compliance, as these are inappropriately applied to Section 811 PRA and deter participation in the program.

### Regulatory Conflicts between Section 811 PRA and Other Programs

Section 811 PRA requirements sometimes conflict with other programs that are the primary funding sources for the developments using the PRA, such as the Housing Credit, Rural Development, HUD capital resource programs, or a combination of these programs. For example, Housing Credit income eligibility is based on gross income, whereas the Section 811 PRA program uses adjusted income to determine eligibility. While the Section 811 PRA is essential for many persons with disabilities to afford these homes, the rental assistance is a small source of funding in comparison to the much greater capital investment from other resources.

*Recommendation:* Allow Section 811 PRA to conform to the requirements of PBRA, the Housing Credit, or whatever funding source is the dominant financing resource in the development.

## Single-Family Mortgage Insurance Programs

The Federal Housing Administration (FHA) plays an indispensable role in helping low-income families and other traditionally underserved populations achieve the dream of homeownership. In particular, FHA supports sustainable low down payment lending to borrowers not well-served by conventional lending, such as those often served by HFAs. This is crucial, because one of the biggest impediments to purchasing a home for otherwise responsible borrowers is the cost of a down payment. In recent years, nearly three-quarters of HFA loans were insured by FHA.

### FHA Insurance for Manufactured Homes (24 CFR Part 1005.429)

Manufactured housing offers an affordable and safe option for working families to buy a home. As with the market for traditional, site-built homes, the ability of lenders to insure loans used to purchase manufactured homes through FHA fosters liquidity in the market and allows more households to purchase homes.

Current FHA policy requires that, if a mortgage is used to purchase a manufactured home that has been permanently erected on a site for a year or less, it is not eligible for FHA insurance unless the home is installed on a site-built permanent foundation and the “towing hitch or running gear, which includes axles, brakes, wheels, and other parts of the chassis that operate only during transportation, shall have been removed.” Removing the hitch, wheels and axles from a manufactured home is expensive, adding unnecessary costs for the home buyer. Further, it is often difficult to find an installer who is willing to remove those parts.

*Recommendation:* Rescind the requirement that the hitch, wheels, and axles be removed from manufactured homes for those homes to be eligible for FHA-insured mortgages.

### Engagement with Borrowers in Default (Mortgage Letter 2024-24)

On December 4, 2024, FHA released Mortgagee Letter 2024-24, “Modernization of Engagement with Borrowers in Default,” which modernized FHA’s in-person “face-to-face” requirements for meeting with delinquent borrowers by allowing servicers to also utilize electronic and other remote or video conferencing communication methods. While this acknowledgement of the variety of ways that borrowers and servicers are able to communicate today was well-received and needed, ML 2024-24 also added unnecessary and burdensome new requirements. For example, the ML expanded the meeting requirement to all borrowers in default and for properties up to 200 miles away from the servicer, including for the first time, borrowers who do not reside in that property. Moreover, the ML added significantly more and unnecessary process around reaching out to defaulted borrowers and conducting the borrower meetings, including providing the consultation outside of normal business hours in the time zone in which the borrower lives (even if the borrower does not reside in the mortgaged property). The result is increased servicing costs, including staff time.

*Recommendation:* Rescind all but the updated modes of communication that ML 2024-24 added to HUD Handbook 4000.1.

#### Servicing Convenience Fees (HUD Handbook 4000.1)

Section III.A.1(f)ii(A) of HUD Handbook 4000.1, “Reasonable and Customary Fees and Charges” requires modernization to include convenience fees, voluntarily-incurred fees, or fees that are charged to a borrower who chooses to use a payment method with an associated, disclosed cost when one or more no-cost options have also been offered. Examples include payments made over the phone and/or using debit cards. Convenience fees have been used by mortgage loan servicers for a number of years and are also customarily used by many organizations offering a payor convenience, such as a pay-over-the-phone option, including utility companies. To offer these extra services, an organization incurs real costs, both in personnel to staff the phone and in fees paid to card processing companies.

*Recommendation:* Just as FHA has modernized modes of communication with borrowers in default, FHA needs to recognize that over-the-phone payment options also have become commonplace, and that some borrowers choose to make their payments that way vs. other, free-of-fee methods. HUD should explicitly revise its list of “Reasonable and Customary Fees and Charges” to include convenience fees.

#### Property Preservation Costs for Rural Areas

In cases where an HFA or other servicer is responsible for arranging for property preservation and protection activities until the property is conveyed to FHA or liquidated under the Claims Without Conveyance of Title (CWCOT) program, FHA typically reimburses the servicer for the costs. Examples of such activities include removing snow, making emergency repairs, and changing locks.

In rural areas of the country, it is often expensive to hire contractors to perform such activities because there are so few contractors available and they need to travel long distances. The reimbursements FHA offers do not account for the increased costs and are often insufficient to cover the servicer’s expenses. In such instances, the servicer effectively pays the difference out of pocket.

As public entities, HFAs cannot afford to continually realize losses for required property protection and preservation activities without it significantly hampering their affordable homeownership programs.

*Recommendation:* Revise FHA reimbursement rates for property preservation and protection activities to take into account the increased costs of such services for properties in rural areas.

### **Ginnie Mae**

Ginnie Mae plays a critical role in expanding homeownership opportunities for working families by providing credit enhancement on securities comprised of loans insured by the Federal Housing Administration (FHA), the United States Department of Agriculture (USDA) and the Department of

Veterans' Affairs. A large majority of HFAs issue Ginnie Mae securities, either directly or in partnership with a master servicer, to help finance their affordable homeownership lending programs.

Ginnie Mae guidelines require issuers of Ginnie Mae loan pools to maintain loan delinquencies below a certain threshold. For most single-family Ginnie Mae issuers, no more than 7.5 percent of the outstanding loans in their Ginnie Mae portfolios can be two or months delinquent or in foreclosure (DQ2 ratio), and no more than 5 percent of loans can be three months or more delinquent or in foreclosure (DQ3 ratio).

While we appreciate the need to ensure that Ginnie Mae sets appropriate DQ2 and DQ3 ratios, the current ratios do not reflect recent market trends and do not account for servicing policies put in place by FHA as well as the HFAs and other servicers. While HFAs' loan portfolios have historically performed strongly, the market has seen an uptick in delinquencies for FHA borrowers. These have been driven by recent economic developments, including unexpectedly high increases in homeowners' insurance and property tax expenses.

Further, while HFAs are working with struggling borrowers to help them keep their homes, these efforts are governed by new loss mitigation standards adopted by FHA, USDA and VA during the COVID-19 pandemic. These include lowered documentation requirements that make it easier for homeowners to participate in loss mitigation programs. While these relaxed documentation requirements are well-intentioned, they can prolong the process, causing homeowners to be delinquent for longer and making it more likely that issuers will exceed the DQ2 and DQ3 delinquency thresholds without the underlying loans posing increased risk.

If issuers exceed the thresholds, they have to purchase some of the delinquent loans from their Ginnie Mae securities to lower the DQ2 and/or DQ3 ratios to the acceptable level. This increases the prepayment speeds on Ginnie Mae pools, which reduces the pool's stability and value to investors. This in turn increases the costs for HFAs other Ginnie Mae issuers and makes homeownership more costly for the working households that FHA and the other federal mortgage insurance programs are intended to assist.

*Recommendation:* Increase the DQ2 and DQ3 delinquency thresholds to reflect recent market developments, including FHA, USDA, and VA loss mitigation requirements.

### **Multifamily Mortgage Insurance Programs**

#### **FHA-HFA Risk-Sharing Program (24 CFR Part 266)**

The FHA-HFA Risk-Sharing Program is an important tool for financing affordable multifamily housing. It provides credit enhancement to HFA bond and debt issuances through FHA mortgage insurance, resulting in lower borrowing costs. The Risk-Sharing program outperforms HUD's traditional FHA multifamily mortgage insurance programs and generates net revenue for the federal government. Thirty-seven HFAs are approved for the Risk-Sharing program and collectively have financed more than 1,868 loans, totaling over \$19.9 billion in principal and supporting more than 219,490 affordable rental

homes. In FY 2024 alone, FHA issued firm commitments to HFAs to finance 95 loans, with a total principal balance of \$1.255 billion, supporting 9,265 rental homes.

Maintaining this effective program is in effect promoting deregulation and simplification. Using the Risk-Sharing program is significantly easier and a more streamlined option than the Multifamily Accelerated Processing (MAP) program and other traditional FHA options. For example, the MAP program generally involves longer processing times, higher transaction costs, and adherence to 875 pages of MAP guidance — all of which limit its utility. The Risk-Sharing program also saves significant FHA staff time, because the lenders are responsible for underwriting and processing the mortgages and resolving any problems. Although HUD monitors the lenders for adherence to their underwriting standards and their continuing financial strength, this is much less staff-intensive than FHA's responsibilities for MAP loans.

#### Federal Financing Bank (FFB) Financing

Risk-Sharing program loans currently do not have access to Ginnie Mae financing, as do virtually all other FHA-insured multifamily loans. To support more multifamily lending and provide a source of capital for smaller loans, especially in rural areas, HUD and Treasury created a simple and straightforward financing program a few years ago through which Treasury's Federal Financing Bank (FFB) purchased HFA Risk-Sharing loans. FFB financing of Risk-Sharing loans reduces the cost of financing affordable rental developments by approximately one-half of a percent, aligning lending costs more closely with Ginnie Mae-financed FHA-insured loans. The savings produced by FFB financing make projects feasible, improve affordability, and reduce risk. FFB Risk-Sharing enables HFAs to finance the production and preservation of thousands more affordable rental homes than would be possible without it.

HUD and Treasury recently established an "interest rate collar" option to help Risk-Sharing lenders increase housing supply more effectively. The interest rate collar offers greater certainty for forward lending. Unfortunately, there are unnecessary restrictions and requirements associated with this option that should be modified to make it an even more effective tool to increase housing production.

*Recommendation:* Maintain the Federal Financing Bank option for financing loans made by HFAs under the FHA-HFA Risk-Sharing program and consider ways to improve the recently established interest rate collar option.

#### Mortgage Subordination

HUD requires state HFAs to subordinate their regulatory oversight documents to HUD documents to protect the federal government's position as mortgage insurer. However, HUD's requirements can duplicate existing HFA policies, such as transfer of ownership policies and affordability requirements under Housing Credit regulations.

*Recommendation:* Allow state documents to be sufficient where present rather than imposing separate HUD requirements.



## HUD Information Technology Systems

HUD requires grantees and private owners to use several old and redundant information technology systems that are administratively burdensome and can disincentivize participation in HUD-assisted housing. HUD's computer systems are often not user-friendly, require extensive training to use, and require a substantial investment in technology for any new users. These systems cause a disincentive for private owners to participate in HUD programs.

*Recommendation:* HUD should improve its outdated information technology systems as follows:

- Finish modernizing the Tenant Rental Assistance Certification System (TRACS) and Enterprise Income Verification systems to simplify program administration and increase efficiency. This would allow HUD to fully implement changes required by the Housing Opportunity Through Modernization Act (HOTMA), which Congress passed nearly a decade ago to better align income and asset requirements across HUD programs.
- Accelerate the transition for PHAs operating the HCV program to the new electronic Voucher Management System (eVMS) rather than the current VMS reporting system.
- Simplify the process of securing a Unique Entity Identifier numbers and sam.gov verifications, including by implementing an automatic email confirmation so grantees would no longer need to take and store screenshots to verify the changes in sam.gov.
- Ensure NSPIRE IT systems communicate with iREMS for PBRA reporting.

Federal housing programs are critical to the affordable housing work HFAs and other providers perform. Targeted regulatory modifications would strengthen these programs by providing state and local administrators more flexibility, streamlining requirements, increasing efficiency, and expanding their reach. Further, regulatory changes would better align program rules to ease administration when properties rely on multiple sources of funding.

Thank you again for the opportunity to submit these proposals. Please let us know if we can do anything further to help you design and implement positive regulatory changes to federal housing programs.

Sincerely,

A handwritten signature in black ink, appearing to read "Garth Rieman", with a long horizontal flourish extending to the right.

Garth Rieman

Director, Housing Advocacy and Strategic Initiatives

## Housing MT

Report Date: May 1, 2025

Bill Number	Bill Sponsor	Current Committee	Last Action	Next Hearing
<a href="#">HB 63</a>	Sponsor: Darling, Julie; Requester: Department of Administration by State Administration and Veterans' Affairs Interim Committee		03/27/25 - Chapter Number Assigned	
Extend application of bond validating act				
<a href="#">HB 311</a>	Sponsor: Kortum, Kelly; Requester: Kortum, Kelly		04/22/25 - (H) Transmitted to Governor	
Require the refund of rental application fees				
<a href="#">HB 444</a>	Sponsor: Tuss, Paul; Requester: Zolnikov, Daniel		04/23/25 - (H) Returned from Enrolling	
Generally revise tenant landlord laws				
<a href="#">HB 505</a>	Sponsor: Vinton, Mike; Requester: Kassmier, Josh		05/01/25 - (H) Returned from Enrolling	
Revise laws on Montana housing infrastructure revolving loan fund on deed restrictions, usage, and interest				
<a href="#">HB 718</a>	Sponsor: Seekins-Crowe, Kerri; Requester: Seekins-Crowe, Kerri		04/29/25 - (H) Signed by Speaker	
Generally revise laws relating to incarceration				
<a href="#">HB 785</a>	Sponsor: Falk, Terry; Requester: Fitzpatrick, Steve		04/29/25 - (H) Signed by Speaker	
Revise laws related to manufactured homes				
<a href="#">HB 810</a>	Sponsor: Caferro, Mary; Requester: Zolnikov, Daniel		04/21/25 - (H) Returned from Enrolling	
Revise tenant landlord laws				
<a href="#">HB 831</a>	Sponsor: Nikolakakos, George; Requester: Nikolakakos, George		04/29/25 - (H) Returned from Enrolling	
Increase elderly homeowner and renter income tax credit				
<a href="#">HB 924</a>	Requester: Jones, Llew		04/30/25 - (H) Returned from Enrolling	
Generally revise state finance laws				
<a href="#">HB 931</a>	Requester: Vinton, Mike		04/28/25 - (H) Returned from Enrolling	
Allow for nonprofit development and management of attainable workforce housing on state lands				

## Housing MT

Report Date: May 1, 2025

Bill Number	Bill Sponsor	Current Committee	Last Action	Next Hearing
<a href="#">HJ 30</a>	Requester: Darling, Julie		04/29/25 - (H) Returned from Enrolling	
Study resolution on incentivizing housing density and affordability				
<a href="#">HJ 33</a>	Requester: (H) Business and Labor		04/24/25 - (H) Returned from Enrolling	
Resolution to urge U.S. Congress to take action relating to mortgage trigger leads				
<a href="#">HJ 50</a>	Requester: Griffith, Alanah		04/30/25 - (S) Returned to House	
Interim study of uniform common interest ownership laws				
<a href="#">HJ 55</a>	Requester: Zolnikov, Daniel		04/30/25 - (H) Sent to Enrolling	
Study resolution on property management licensing and practice				
<a href="#">SB 101</a>	Sponsor: Beard, Becky; Requester: Beard, Becky		04/17/25 - (S) Signed by Governor	
Revise laws related to squatting				
<a href="#">SB 103</a>	Sponsor: Tempel, Russ; Requester: Tempel, Russ		04/25/25 - (S) Returned from Enrolling	
Revise fee for issuing an execution or order of sale on foreclosure of lien				
<a href="#">SB 133</a>	Sponsor: Hertz, Greg; Requester: Hertz, Greg		04/22/25 - (S) Signed by President	
Revise impact fee laws				
<a href="#">SB 172</a>	Sponsor: Fern, Dave; Requester: Flowers, Pat		04/03/25 - Chapter Number Assigned	
Revise resort tax eligibility and allow use for workforce housing				
<a href="#">SB 213</a>	Sponsor: Zolnikov, Daniel; Requester: Zolnikov, Daniel		04/25/25 - (S) Transmitted to Governor	
Revise the state building code to allow single stairwells in certain buildings				
<a href="#">SB 252</a>	Sponsor: Fern, Dave; Requester: Fern, Dave		04/25/25 - (S) Transmitted to Governor	
Revise land use laws related to manufactured and factory built homes				
<a href="#">SB 532</a>	Requester: Mandeville, Forrest		04/29/25 - (S) Returned from Enrolling	
Revise county zoning to allow accessory dwelling units				

Bill Number	Bill Sponsor	Current Committee	Last Action	Next Hearing
<a href="#">SR 91</a>	Requester: Regier, Matt		04/16/25 - (S) Filed with Secretary of State	
Confirm governor's appointees for the board of housing				

# Montana House Bill 924\*

## Growth & Opportunity Trust

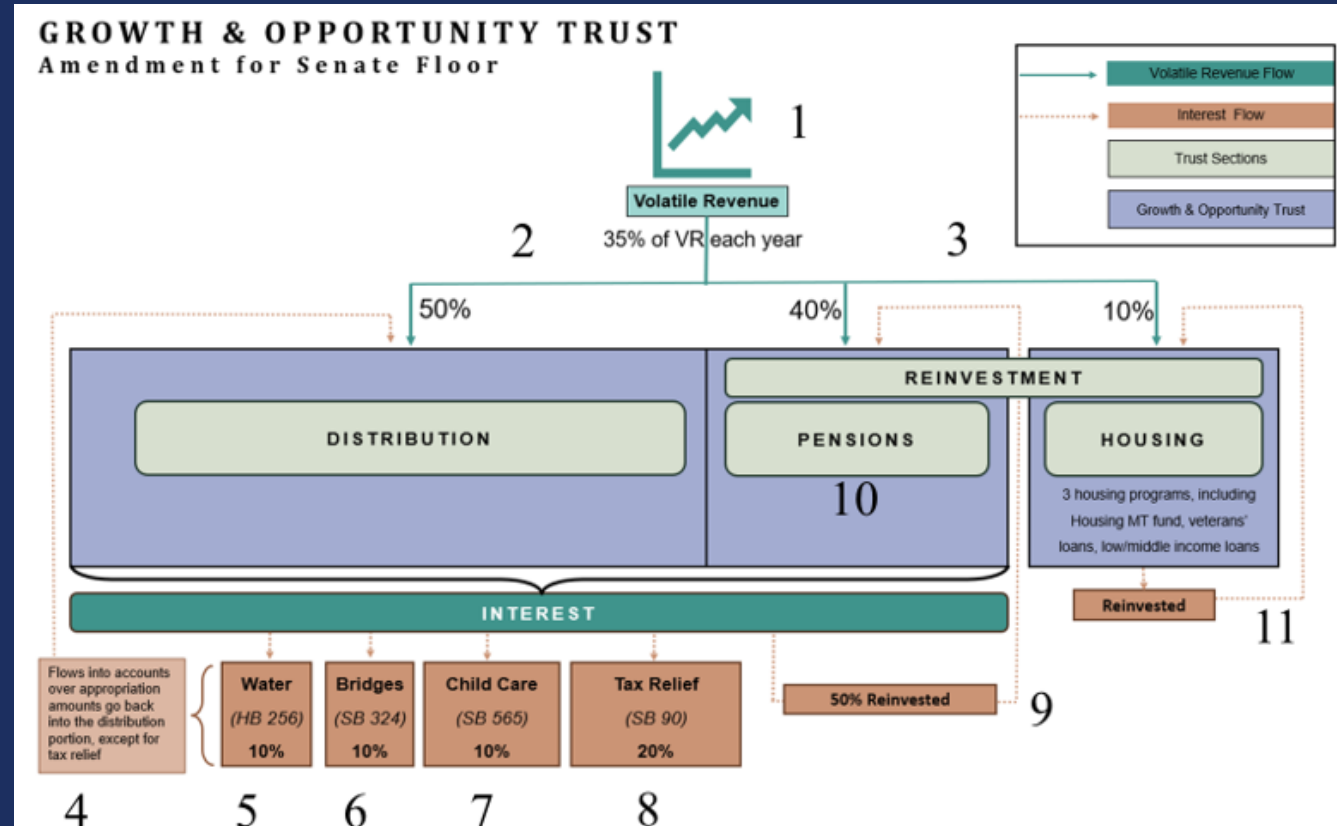
Cheryl Cohen  
Montana Board of Housing  
Executive Director

*\*pending Governor's signature*



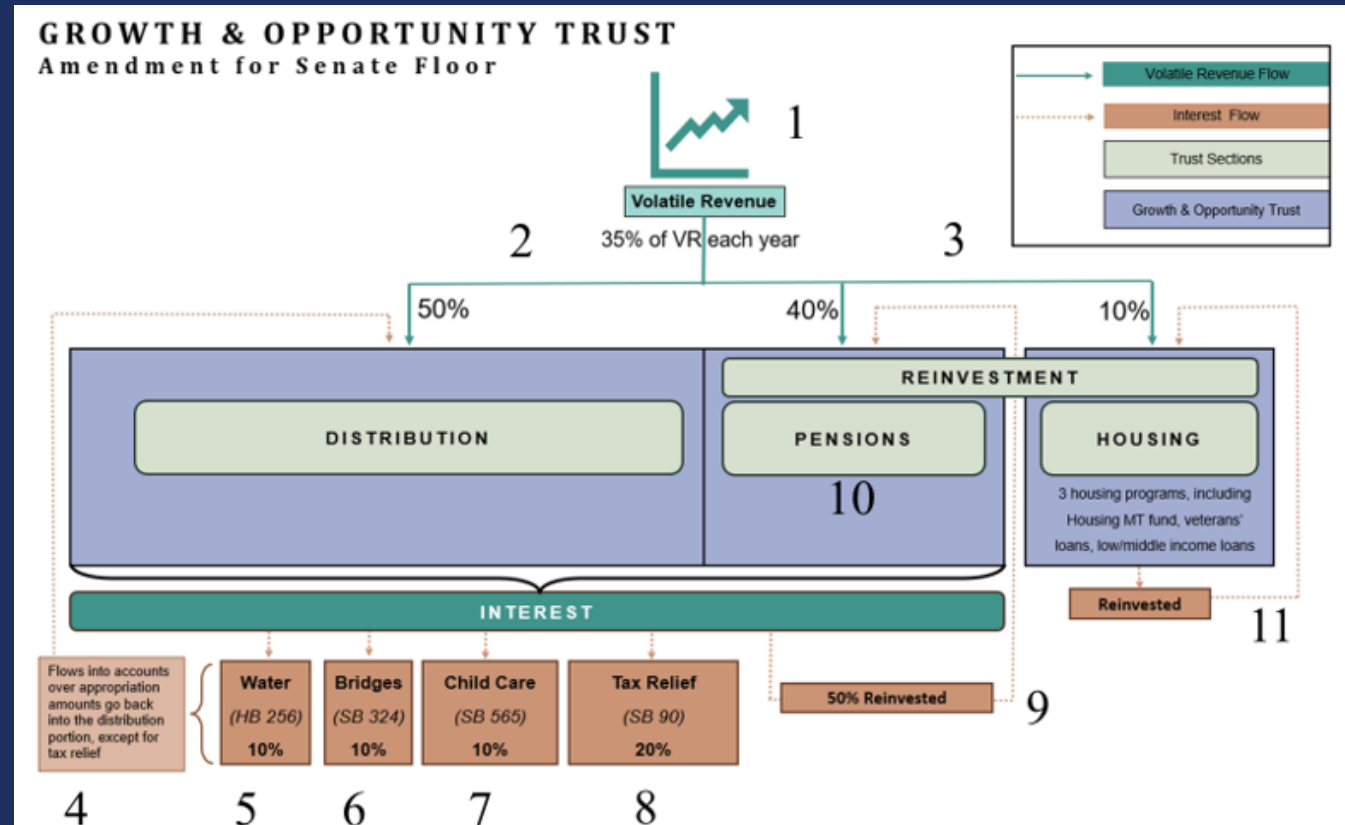
# Section 1

1. Flows in from volatile revenue – Montana’s individual income tax is often volatile, and this volatility is driven by swings in both capital gains and partnership income. Interest earned off treasury cash (TCA Interest) is volatile and is governed by both cash levels and interest rates. The total “volatile revenue” is the difference between the forecasted amounts for these sources in the official revenue estimate and the lowest year in the past 7 years. In House Bill 924, 35% of this volatile revenue is transferred to the GO trust. The executive can reduce the size of this transfer if the projected general fund ending fund balance falls below the operating reserve.



# Section 2 - 5

2. 50% of volatile revenue flows to the distribution portion.
3. 50% of volatile revenue flows to the reinvestment portion (80% to pensions, **20% to housing**)
4. Flows into water, bridges, and child car accounts can't be above the appropriations for those accounts – overages flow back into the distribution portion.

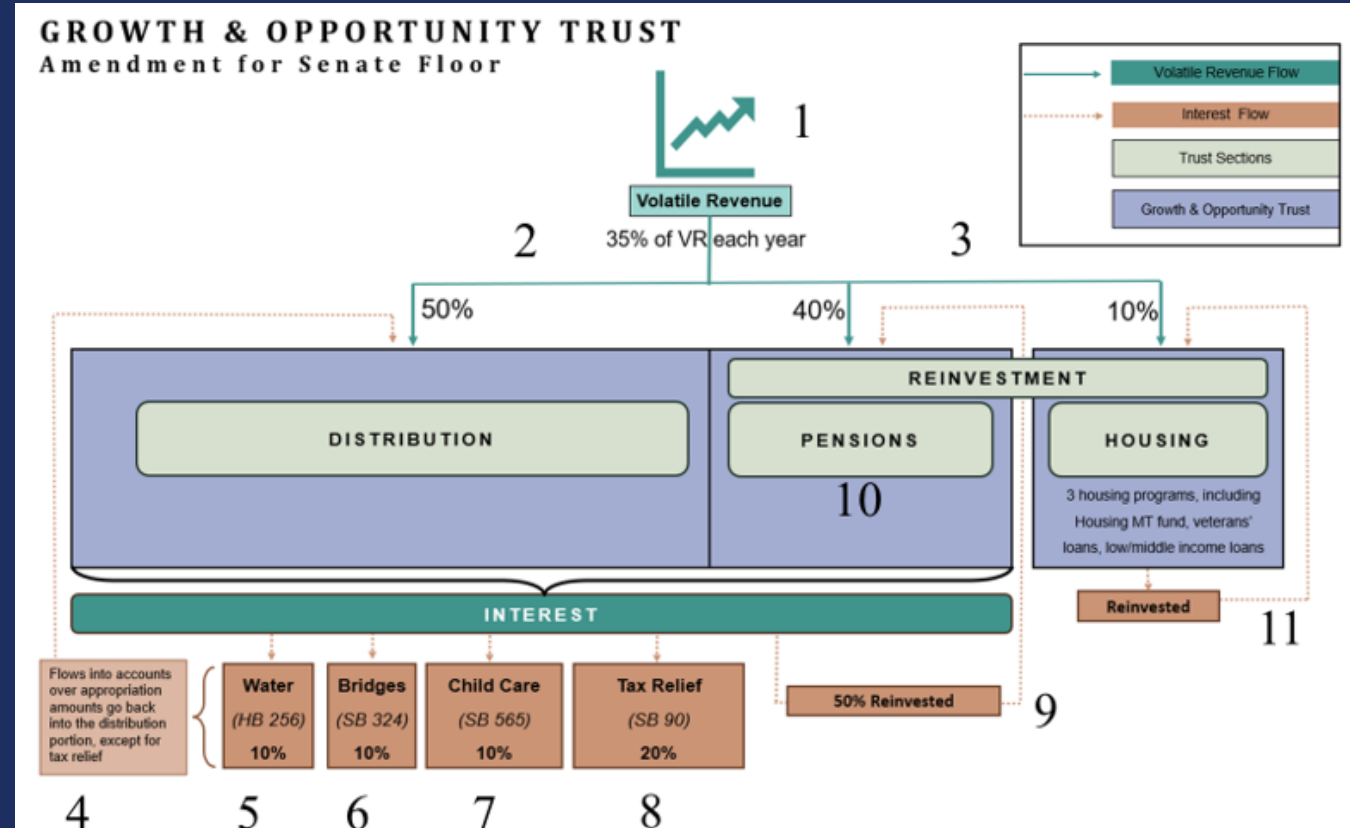




# Section 5 - 6

5. 10% of interest to water development state special revenue (House Bill 256) – 90% of funding is directed to rehabilitation of dams and irrigation systems, with 10% directed towards dam inspections and pilot projects.

6. 10% of interest to bridges state special revenue (Senate Bill 324) This provides a fund for engineering and construction of the 2,196 “off system” bridges or local bridges which are not eligible for federal funding assistance. The local entities would provide 20% or more local matching fund.

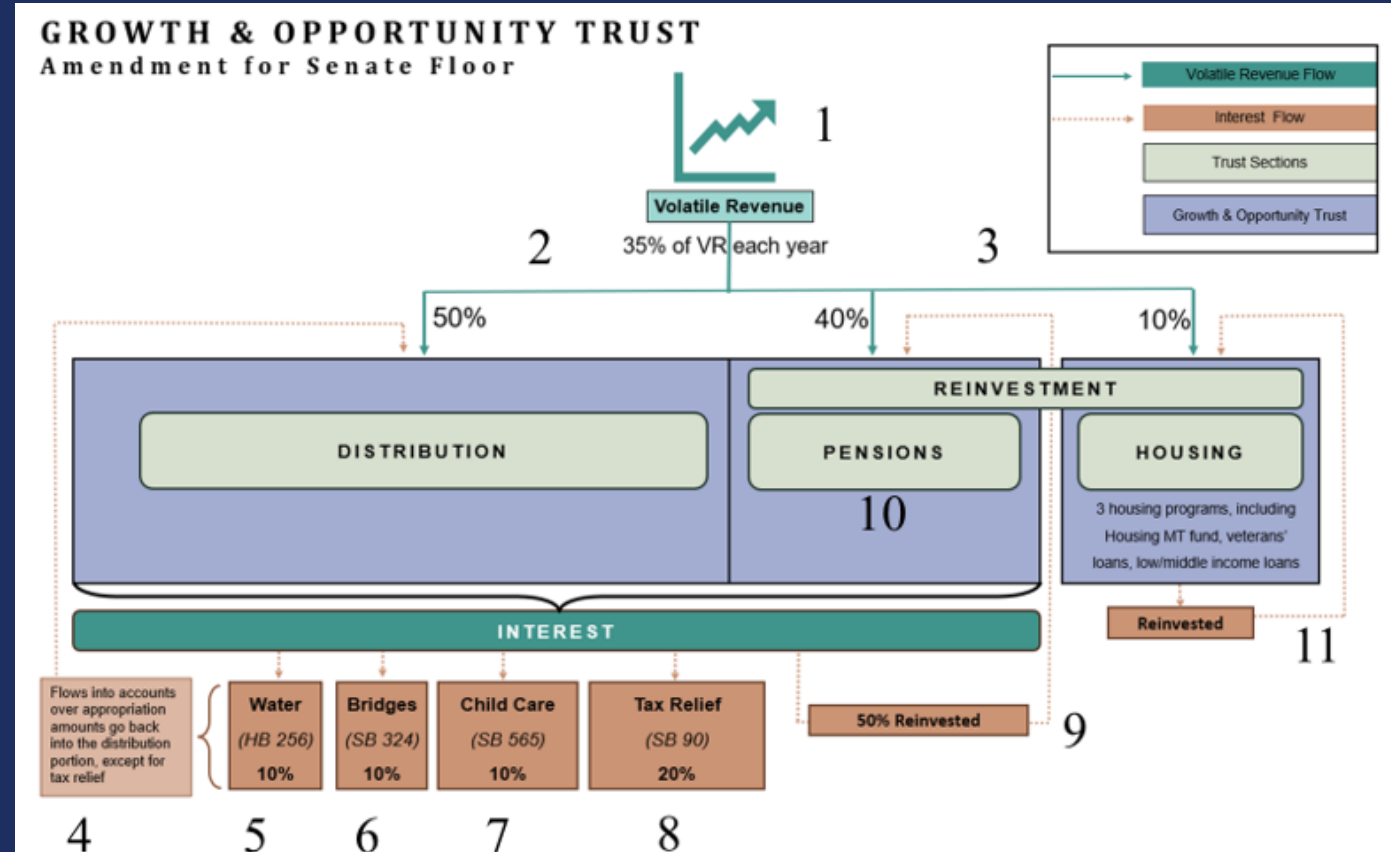


# Section 7 - 9

7. 10% of interest to childcare state special revenue (Senate Bill 565) provides grants to childcare business, education, quality improvements, affordability and innovation.

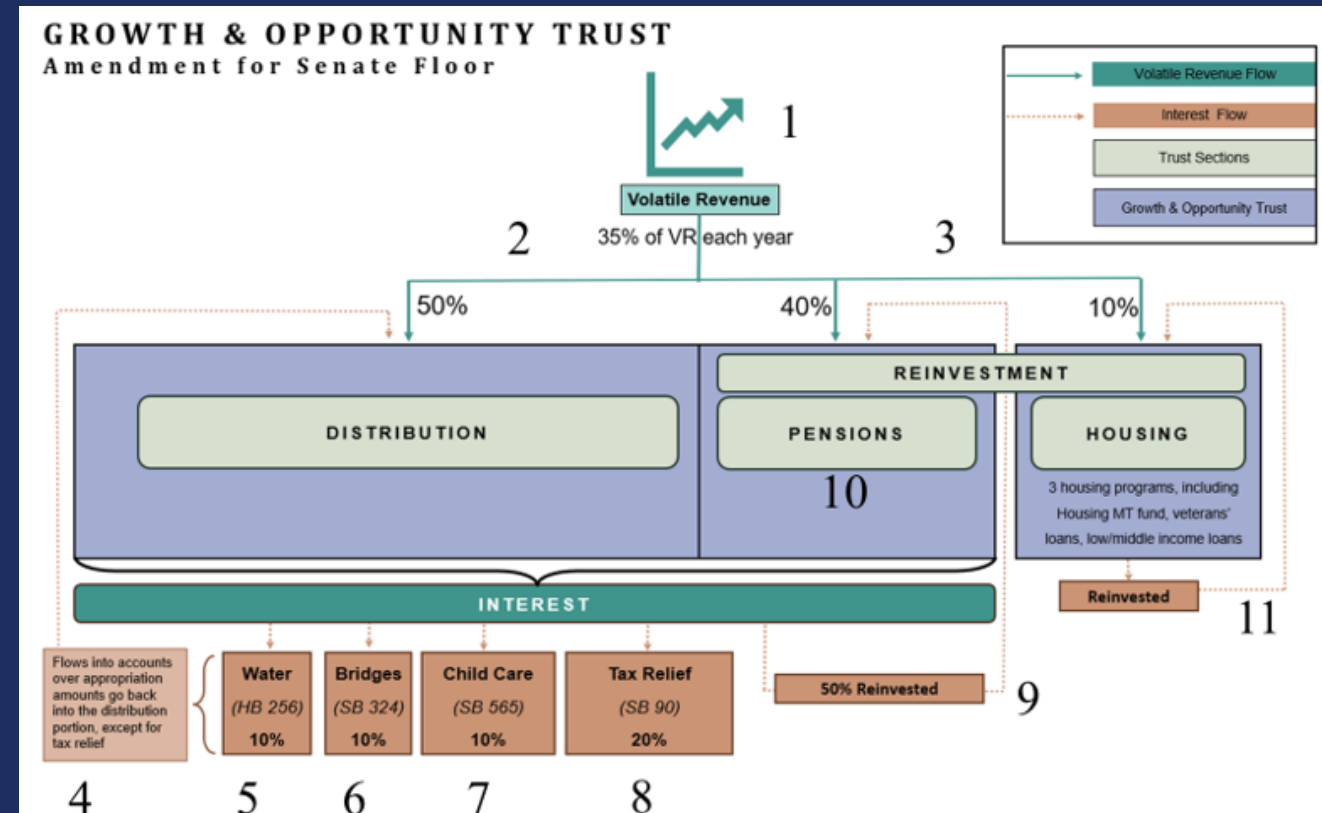
8. 20% of interest to property tax relief state special revenue (Senate Bill 90)

9. 50% of interest generated to the reinvestment portions (pensions)



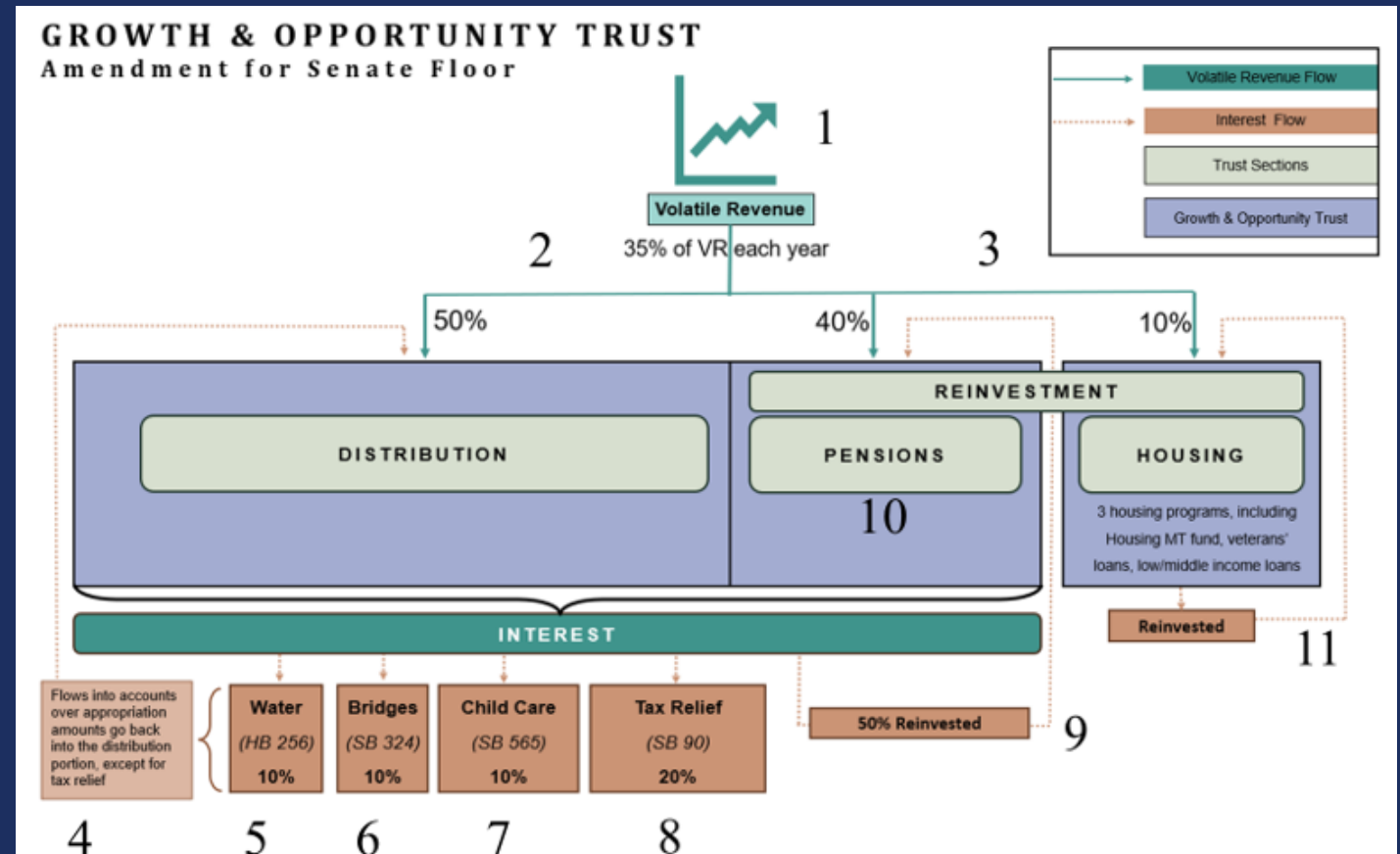
# Section 10

10. Pensions portion of GO Trust is available for transfer to pension systems under certain conditions. If the PERS/TRS pension boards certify that the inception-to-date return on investments (currently 7.30%) for two consecutive years, then a transfer is initiated from the GO pension fund. The transfer is the amount necessary to bring the inception-to-date return up to the assumed rate. The transfer cannot exceed 25% of the GO pension fund's balance and cannot exceed \$300 million over a two-year period. In addition, the bill increases employer contribution rates for PERS and TRS by 0.1% per year for 20 years starting with FY 2028. There is a \$250 million transfer from the general fund to the GO pension fund.



# Section 11

11. Housing portion of GO Trust: House Bill 924 creates the Montana Housing Trust, which includes the housing programs currently held in the Coal Trust (veterans' and low-income loans) as well as the Housing Montana Fund.



# Montana Housing Trust

The Montana Housing Trust will include the following programs and will move two program currently under the Coal Tax Trust Fund at Board of Investments to the new Montana Housing Trust, under the GO Trust, at Department of Revenue.

- Housing Montana Fund
- Veterans' Home Loan Program (\$50M "or more" RLF)
- Coal Trust Multifamily Homes Program (\$65M "or more" RLF)

HB 924 provides for \$31.2M in transfers to the Montana Housing Trust over the next biennium:

- \$10M transfer from capital developments long-range building program 6/1/25
- \$6M general fund transfer by 11/1/25
- \$6M general fund transfer by 5/1/26
- \$4.6M general fund transfer by 11/1/26
- \$4.6M general fund transfer by 5/1/27

The MH trust will additionally receive 20% of the reinvestment portion from the GO Trust on an on-going basis, until the MH trust balance equals \$500M.

MBOH will develop administrative rules to direct fund transfers to the respective programs. This is the first time in state history that MBOH will receive statutory appropriations and general fund transfers.



# Thank you



Rental Assistance Dashboard
May 13, 2025 (Data as of April 30, 2025)

Totals

	<u>Previous Month</u>	<u>Current Month</u>	<u>Change</u>
Paid Units	7,023	6,944	(79)
Budgeted Units		8,317	
All Section 8 HAPs	5,249,501	4,955,905	(293,596)

Rental Assistance Tenant Based Programs

	<u>Month</u> <u>Mar-25</u>	<u>Apr-25</u>	<u>Change</u>	<u>Year</u> <u>HAP</u>	<u>HUD</u> <u>Budget</u>	<u>Fees</u>	<u>Term</u>
<b>Housing Choice Voucher (HCV)</b>							<b>CY2025</b>
Paid Units (3625 Agency contracts)	2,958	2,944	(14)			156,494	
Current Month Payment Amount	1,965,477	1,968,365	2,888	7,748,409		625,201	
<b>Veterans Affairs Supportive Housing (VASH)</b>							<b>CY2025</b>
Number Units Paid (321 Authorized)	227	235	8			12,299	
Payment Amount	154,010	157,625	3,615	598,697		47,376	
<b>Moderate Rehabilitation (ModRehab)</b>							
Number Contracts			0				
Paid Units (297 Authorized)	104	107	3			5,202	
Payment Amount	71,596	73,242	1,646	297,632		21,363	
<b>Mainstream</b>							
Number Units Paid	24	24	0			1,285	
Payment Amount	17,503	17,596	93	68,233		5,553	
<b>Project Based VASH</b>							
Number Units Paid	0	0	0			0	
Payment Amount	0	0	0	0		0	
<b>EHV</b>							
Number Units Paid	58	57	-1			3,330	
Payment Amount	43,131	43,210	79	173,694		13,666	

Rental Assistance Project Based Programs

<b>Project-Based Section 8</b>						<b>Admin Earnings</b>
Contracts	89	89	0			113,323
Units Paid (4132 Authorized with 8bb)	3,631	3,556	-75			Contract Extension
Payment Amount	2,983,897	2,681,973	-301,924			
Calendar Year Admin Earnings						453,292
<b>811 Project Rental Assistance Demo (FY)</b>					<b>1,900,000</b>	<b>157,000 Five Year</b>
Rental Assistance Contracts (RAC)			0	Disbursed:	1,263,161	Balance: 636,839
Units (grant requires 82)	21	21	0			8 Units Kalispell
Payment Amount	13,887	13,894	7			40 Units Missoula
						5 Units Ronan
						21 Units Boz/Belgrade
						74